

Case No.

408

Application, Transcript,
Small Exhibits, Etc.

nr

nr

mcr

1 Clearfork - 6545 - 200 91 (75 - 6000 - 1000) 40
400 100

3 Devonian - 8050 - 100 (75 ac 25 well) 40

4 Silurian - 8345 - 180 (75 25) 40

6 Ellenburger - 10,400 - 100 (75 25) 40

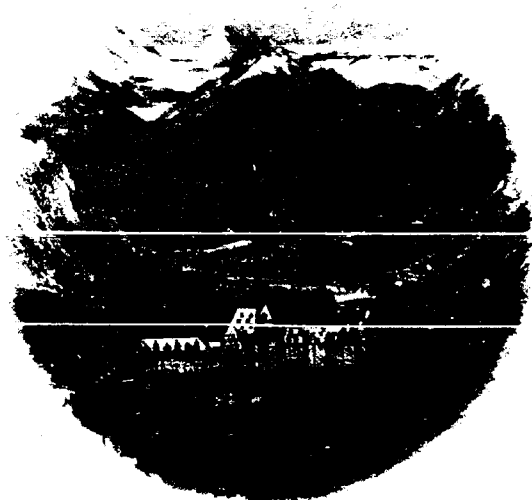
INTER-OFFICE TRANSMITTAL SLIP

TO Nancy
FROM Womt

- ☐ For Approval
- ☐ For Signature
- ☐ Note and Advise
- ☐ Note and Return
- ☐ For Your Files
- ☒ For Your Handling

Remarks:

This info goes in
Dallas hnd Case file



BANFF SPRINGS HOTEL
BANFF, ALBERTA

Canadian Pacific Hotels

Wool Standard Docks

Prod	Co	Lot	Unit	Unit	Elem	TD	Gloe	Tobbs	Woodford	Dev	T.S./Lwr	T.Smp	T.Mch	T.W
Eller	Gulf	Leona A	1	M-33	3177	10,310	5180	6050	7535	7840	8690	9365	7745	10,350
			9	D-4	3170	10,200	5165	6085		7610		9310	7645	10,135
			1	P-32	3180	10,245	5144	6015		7545	7750	9215	7650	10,155
			2	D-32	3170	10,300	5105	5965	7450	7477	7664	9186	7492	10,310
			4	D-32	3160	10,185	5080			7481	7650	9080		10,182
			1	A-5	3170	10,360	5131			7497		9130	7502	10,007
			3	B-5	3168	10,215	5080	5950		7422	7613	9082	7214	7157
Devon	Gulf	Leona A	1	K-33	3185	8025	5250	6170	7600	7220				
			15	F-33	3184	8062	5295	6210	7590	7835				
			1	H-32	3197	8935	5225	6175	7555	7750	8775			
			1	I-5	3148	8405		6190	7100	8177	9250			
			2	L-4	3159	8570	5317	6278	7720	8280				
Fus	Elliot	Elliot A	1	H-31	3144	8691	5105	5965		7580	8610			
			1	I-32	3190	10,330	5200	6068	7545	7654	8661	9328	7712	10,114
			5	L-32	3157	8745	5106	6080	7470	7583	8608			
			2	H-5	3169	10,615	5170	6040	7515	7625	8625	9383	7773	10,102
Drinking	Skelly	Mary K	1	P-29	3219	9177	5367			8016				
			1	H-31	3144	6486	5105	5980						
Queen	Sinalar	State A	1	A-6	3114	3749								
			1	H-6	3128	6997	5223	6140						

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF CONSERVATION
AND PREVENTION OF WASTE OF CRUDE
PETROLEUM OIL AND NATURAL GAS IN
THE WEST DOLLARHIDE-DRINKARD, WEST
DOLLARHIDE-DEVONIAN, WEST DOLLARHIDE-
FUSSELMAN AND WEST DOLLARHIDE-ELLENBURGER
POOLS IN LEA COUNTY, NEW MEXICO.

CASE NO. 408
ORDER NO. E-3

EMERGENCY ORDER

WHEREAS, the New Mexico Oil Conservation Commission in executive session, this day at Santa Fe, New Mexico, a quorum being present, considered the matter, and

WHEREAS, it appears that inequities in pool allowables, by reason of differences of method of determination by respective states, exist in the area, with respect to Drinkard and Devonian production,

IT IS THEREFORE ORDERED:

That for the period from 7 o'clock a.m. February 16, 1953, to 7 o'clock a.m. March 1, 1953, the allowable production for the West Dollarhide-Drinkard Pool within New Mexico is hereby fixed at 91 barrels of oil per day; and, that the allowable production for the West Dollarhide-Devonian Pool, within New Mexico, is hereby fixed at 100 barrels of oil per day.

IT IS FURTHER ORDERED, That bottom-hole pressures be immediately taken of all New Mexico wells within the West Dollarhide-Fusselman and West Dollarhide-Ellebenburger Pools in anticipation of modification of Commission Rule 302 to require pressure tests in February and August of each year for the pools aforesaid.

DONE at Santa Fe, New Mexico, this 10th day of February, 1953.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem

Edwin L. Mechem, Chairman

E. S. Walker

E. S. Walker, Member

R. R. Spurrier

R. R. Spurrier, Secretary

S E A L

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, Robert L. Summers
Publisher

Of the Hobbs Daily News-Sun, a
daily newspaper published at
Hobbs, New Mexico, do solemnly
swear that the clipping attached
hereto was published once a week
in the regular and entire issue of
said paper, and not in a supple-

ment thereof for a period of 2
2 weeks.

beginning with the issue dated October 9, 1952 ✓

and ending with the issue dated October 9, 1952 ✓

Robert L. Summers
Publisher.

Sworn and subscribed to before

me this 9 day of October 1952 ✓

Betty Beale
Notary Public.

My commission expires January 25, 1953

(Seal)

This newspaper is duly qualified
to publish legal notices or ad-
vertisements within the meaning
of Section 3, Chapter 167, Laws
of 1937, and payment of fees for
said publication has been made.

LEGAL NOTICE

Oct. 9, 1952

NOTICE OF PUBLICATION

State of New Mexico

Oil Conservation Commission

Santa Fe, New Mexico.

STATE OF NEW MEXICO TO:

All persons having any right,
title, interest or claim in
the following case, and no-
tice to the public.

CASE 408: (Readvertised)

Public notice is hereby given
that a joint meeting of the New
Mexico Oil Conservation Commis-
sion and the Railroad Commission
of Texas will be held at 10
o'clock a. m. on October 23, 1952,
at the City Hall in Midland,
Texas, for the purpose of consid-
ering proration methods and
equalization of allowables in oil
and gas pools embracing lands
within the states of Texas and
New Mexico—namely, the West
Dollahide, West Dollahide-De-
vonian, West Dollahide-Fussel-
man and West Dollahide-Drink-
ard Pools, as denominated in New
Mexico.

GIVEN under the seal of the
Oil Conservation Commission of
New Mexico at Santa Fe, New
Mexico, on this sixth day of Octo-
ber, 1952.

State of New Mexico,
Oil Conservation Commission,
R. R. SPURRIER,
Secretary.

(SEAL)

Case 408

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

January 16, 1953

C
Mr. George Singletary,
Assistant Chief Engineer
Railroad Commission of Texas
Tribune Building
AUSTIN, TEXAS

Dear Sir:

O
Following is a tabulation of the 1953 scheduled dates in New Mexico for
Gas-Oil Ratio Surveys and Bottom Hole Pressure Surveys in the Dollarhide
Pools of West Texas and New Mexico:

P
Y
POOL..... West Dollarhide West Dollarhide West Dollarhide West Dollarhide
 Drinkard Devonian Fusselman Ellenburger

Gas-Oil ; January January & January January &
Ratios February February

Bottom-Hole; November April February August
Pressures

I believe it would be advisable to have two surveys a year in the Fusselman (Silurian) and Ellenburger zones, in February and August. Since we have already established our 1953 GOR survey dates and since in some cases the ratios have probably already been run, we might forgo trying to establish dates that correspond for the pools during 1953 and get together before 1954 and set definite dates. I doubt very seriously if any of the New Mexico wells in any of the zones are over the limiting ratio of 2000.

We are going to write our order and provide for definite dates as outlined above for bottom-hole pressures. Our first order will be an emergency order effective February 1, 1953, since the Attorney General tells us it isn't legal for us to have hearings outside New Mexico. However, we are going to call a hearing for the month of February and introduce the record of the Midland meeting, and operate the field on the allowables as agreed upon under an emergency until a final order can be written.

Let me know what you think of the survey dates.

Yours very truly,

WBM:nr

W. B. Macey, Chief Engineer

Case 408 15

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

OIL AND GAS DOCKET NO. 126

#8 - 24,657

IN RE: CONSERVATION AND PREVENTION OF
WASTE OF CRUDE PETROLEUM AND
NATURAL GAS IN THE DOLLARHIDE
CLEARFORK, DOLLARHIDE DEVONIAN,
DOLLARHIDE ELLENBERGER, AND
DOLLARHIDE SILURIAN FIELDS,
ANDREWS COUNTY, T E X A S

Austin, Texas
October 7, 1952

NOTICE OF HEARING
PERTAINING TO A DETERMINATION OF EQUITABLE ALLOWABLES
FOR THE DOLLARHIDE CLEARFORK, DOLLARHIDE DEVONIAN, DOLLARHIDE ELLENBERGER
AND DOLLARHIDE SILURIAN FIELDS, AND THE ADOPTION OF FIELD RULES
FOR THE DOLLARHIDE CLEARFORK FIELD
ANDREWS COUNTY, TEXAS

NOTICE IS HEREBY GIVEN To the public and all interested persons that the Railroad Commission of Texas will, at ten a.m., OCTOBER 23, 1952, in the Council Chamber of the City Hall, in Midland, Texas, ~~hold the Hearing~~ it heretofore scheduled by its Notice of Hearing No. 8 - 24,494 to be heard at ten a.m., OCTOBER 7, 1952, in Midland, Texas, in conjunction with the Oil Conservation Commission of New Mexico, for the purpose of adjusting allowables for the Dollarhide Clearfork, Dollarhide Devonian, Dollarhide Ellenberger, and Dollarhide Silurian Fields, all located in Andrews County, Texas, and for the further purpose of adopting field rules for the Dollarhide Clearfork in order to bring about the most efficient rate of production from these reservoirs.

Since these Dollarhide reservoirs extend across the state lines and inequities in field allowables exist as a result of differences in the methods of their determination in the two states, a previous joint meeting was held in Santa Fe, New Mexico, by the Railroad Commission of Texas and the Oil Conservation Commission of New Mexico for the purpose of discussing the problem of inequities in withdrawals from the Dollarhide reservoirs in the two states; and as a result of that meeting and because of the progress in the development of the fields, this Hearing was called, and is to be heard jointly with a similar Hearing to be called by the Oil Conservation Commission of New Mexico for the purpose of determining what allowables are necessary to bring about an equity in the withdrawals of oil from the Dollarhide Clearfork, Dollarhide Devonian, Dollarhide Ellenberger, and Dollarhide Silurian reservoirs extending across the state lines of Texas and New Mexico.

FOLLOWING Said Hearing, the Railroad Commission of Texas will enter such rules, regulations, and orders as in its judgment may be necessary as a result of the findings of the two regulatory bodies.

RAILROAD COMMISSION OF TEXAS

Olin Culberson, Chairman

Ernest O. Thompson, Commissioner

W. J. Murray, Jr., Commissioner

(S E A L)

ATTEST:

O. D. Hyndman, Secretary

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF CONSERVATION
AND PREVENTION OF WASTE OF CRUDE
PETROLEUM OIL AND NATURAL GAS IN
THE WEST DOLLARHIDE-DRINKARD,
WEST DOLLARHIDE-DEVONIAN, WEST
DOLLARHIDE-FUSSELMAN AND WEST DOLLAR-
HIDE-ELLENBURGER POOLS IN LEA COUNTY,
NEW MEXICO.

CASE NO. 408
ORDER NO. E-2

EMERGENCY ORDER

WHEREAS, the New Mexico Oil Conservation Commission in executive session, this day at Santa Fe, New Mexico, a quorum being present, considered the matter, and

WHEREAS, it appears that inequities in pool allowables, by reason of differences of method of determination by respective states, exist in the area, with respect to Drinkard and Devonian production,

IT IS THEREFORE ORDERED:

That for the period from 7 o'clock a.m., February 1, 1953, to 7 o'clock a.m., February 16, 1953, the allowable production for the West Dollarhide-Drinkard Pool within New Mexico is hereby fixed at 91 barrels of oil per day; and, that the allowable production for the West Dollarhide-Devonian Pool, within New Mexico, is hereby fixed at 100 barrels of oil per day.

IT IS FURTHER ORDERED, That bottom hole pressures be immediately taken of all New Mexico wells within the West Dollarhide-Fusselman and West Dollarhide-Ellenburger Pools in anticipation of modification of Commission Rule 302 to require pressure tests in February and August of each year for the pools aforesaid.

DONE at Santa Fe, New Mexico, this 16th day of January, 1953.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem
Edwin L. Mechem, Chairman

E. S. Walker
E. S. Walker, Member

R. R. Spurrier
R. R. Spurrier, Secretary

S E A L

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

OIL AND GAS Docket NO. 126

3 -

IN RE: CONSERVATION AND PREVENTION
OF WASTE OF CRUDE PETROLEUM
AND NATURAL GAS IN THE
DOLLARHIDE CLEARFORK AND
DOLLARHIDE DEVONIAN FIELDS,
ANDREWS COUNTY, TEXAS AND N. M.

Austin, Texas

, 1953

ORIGINAL ORDER
FIXING ALLOWABLES FOR THE DOLLARHIDE CLEARFORK
AND DOLLARHIDE DEVONIAN FIELDS, ANDREWS COUNTY, TEXAS

WHEREAS, After due notice, the Railroad Commission of Texas held a hearing, on October 23, 1952, in conjunction with the Oil Conservation Commission of New Mexico for the purpose of adjusting allowables for the Dollarhide Clearfork and Dollarhide Devonian Fields, located in Andrews County, Texas; and

WHEREAS, The evidence submitted at said hearing indicates that the Dollarhide Clearfork reservoir extends from Andrews County, Texas, into Lea County, New Mexico, and is found from approximately sixty-two hundred (6,200) feet to seven thousand (7,000) feet; that the Clearfork reservoir produces from dolomite and lime containing some fissure and some vugular porosity; that the porosity development is heterogeneous with poor correlation of the individual porosity streaks even between adjacent wells; that the dip of the producing zone is approximately three hundred (300) feet per mile; that there was no original gas cap; that the estimated saturation pressure was twenty-one hundred ninety (2,190) pounds per square inch at minus thirty-four hundred (3,400) feet; that the estimated original reservoir pressure was twenty-eight hundred eighty-nine (2,889) pounds per square inch at the same datum; that the bottomhole pressure has declined to approximately eighteen hundred (1,800) pounds per square inch while producing two and one-half million (2,500,000) barrels of oil, and that the production history to date is typical of a solution gas drive reservoir;

WHEREAS, The Dollarhide Devonian reservoir is found at a top of approximately forty-five hundred (4,500) feet subsea; that the Devonian reservoir produces oil in both Andrews County, Texas, and Lea County, New Mexico, and that the reservoir is continuous in both Andrews County, Texas, and Lea County, New Mexico; that production is from a fractured dolomite and a weathered chert of Devonian age; that the estimated saturation pressure was twenty-seven hundred seventy-five (2,775) pounds per square inch at minus forty-six hundred (4,600) feet; that the original reservoir pressure was thirty-two hundred thirty-three (3,233) pounds per square inch at minus forty-six hundred (4,600) feet; that the present arithmetic reservoir pressure has declined to approximately twenty-one hundred sixty (2,160) pounds per square inch while producing seven and one-half million (7,500,000) barrels of oil; that good gravity segregation is apparent as the high gas-oil ratio wells are located on the crest of the structure; that the production is obtained by means of a solution gas drive;

WHEREAS, Since these Dollarhide reservoirs extend across the State lines and inequities in field allowables exist as a result of differences in the methods of their determination in the two States, this hearing was held for the purpose of determining what allowables were necessary to bring about an equity in the withdrawals of oil consistent with the prevention of waste from the Dollarhide Clearfork and Dollarhide Devonian reservoirs extending across the State lines of Texas and New Mexico.

NOW, WHEREFORE, IT IS ORDERED by the Railroad Commission of Texas that effective _____, 1953, the Dollarhide Clearfork and Dollarhide Devonian Fields both be exempted from shutdown days.

IT IS FURTHER ORDERED that the allowable for the Dollarhide Clearfork Field will be established at ninety-one (91) barrels per day per well, and that the allowable for the Dollarhide Devonian Field will be established at one hundred (100) barrels per day per well.

IT IS FURTHER ORDERED that this cause be held open on the docket for such other and further orders as may be necessary.

RAILROAD COMMISSION OF TEXAS

Chairman

Commissioner

Commissioner

ATTEST:

STATE OF TEXAS
DEPARTMENT OF AGRICULTURE

ALL AND SUNDRIES NO. 126

10 -

IN RE: APPLICATIONS FOR PERMITS
TO DRILL OIL WELLS
AND PRODUCE OIL IN THE
HOLLERSIDE CLEARFORK AND
HOLLERSIDE DEVONIAN FIELDS,
ANDREW COUNTY, TEXAS.

Austin, Texas

, 1933

BEFORE ME

JOHN A. HARRIS, Notary Public in and for the State of Texas,
do hereby certify that the foregoing is a true and correct copy of the

WHEREAS, after due notice, the Railroad Commission of Texas held a hearing on October 23, 1932, in conjunction with the Oil Conservation Commission of New Mexico for the purpose of adjusting allowances for the Hollerside Clearfork and Hollerside Devonian Fields, located in Andrew County, Texas; and

WHEREAS, the evidence submitted at said hearing, indicates that the Hollerside Clearfork reservoir extends from Andrew County, Texas, into Lee County, New Mexico, and is found from approximately sixty-two hundred (6,200) feet to seven thousand (7,000) feet; that the Clearfork reservoir produces from dolomite and lime containing some fissure and some vugular porosity; that the porosity development is heterogeneous with poor correlation of the individual porosity streaks even between adjacent wells; that the dip of the producing zone is approximately three hundred (300) feet per mile; that there was no original gas cap; that the estimated saturation pressure was twenty-one hundred ninety (2,190) pounds per square inch at minus thirty-four hundred (3,400) feet; that the estimated original reservoir pressure was twenty-eight hundred eighty-nine (2,889) pounds per square inch at the same datum; that the bottomhole pressure has declined to approximately eighteen hundred (1,800) pounds per square inch while producing two and one-half million (2,500,000) barrels of oil, and that the production history to date is typical of a solution gas drive reservoir;

WHEREAS, The Hollerside Devonian reservoir is found at a top of approximately forty-five hundred (4,500) feet subsea; that the Devonian reservoir produces oil in both Andrew County, Texas, and Lee County, New Mexico, and that the reservoir is continuous in both Andrew County, Texas, and Lee County, New Mexico; that production is from a fractured dolomite and a weathered chert of Devonian age; that the estimated saturation pressure was twenty-seven hundred seventy-five (2,775) pounds per square inch at minus forty-six hundred (4,600) feet; that the original reservoir pressure was thirty-two hundred thirty-three (3,233) pounds per square inch at minus forty-six hundred (4,600) feet; that the present arithmetic reservoir pressure has declined to approximately twenty-one hundred sixty (2,160) pounds per square inch while producing seven and one-half million (7,500,000) barrels of oil; that good gravity segregation is apparent as the high gas-oil ratio wells are located on the crest of the structure; that the production is obtained by means of a solution gas drive;

WHEREAS, since these Hollerside reservoirs extend across the State lines and inequalities in field allowances exist as a result of differences in the methods of their determination in the two States, this hearing was held for the purpose of determining what allowances were necessary to bring about an equity in the withdrawals of oil consistent with the prevention of waste from the Hollerside Clearfork and Hollerside Devonian reservoirs extending across the State lines of Texas and New Mexico.

NOW, THEREFORE, it is ORDERED by the Railroad Commission of Texas that effective _____, 1933, the Hollerside Clearfork and Hollerside Devonian Fields both be exempted from shut-down days.

IT IS FURTHER ORDERED that the allowance for the Hollerside Clearfork Field will be established at ninety-one (91) barrels per day per well, and that the allowance for the Hollerside Devonian Field will be established at one hundred (100) barrels per day per well.

IT IS FURTHER ORDERED that this order be read open in the presence of the owner and further orders as may be necessary.

WITNESSED my hand and the seal of the Railroad Commission of Texas at Austin, Texas, this _____ day of _____, 1933.

Chairman

Commissioner

Superintendent

NOTARY:

DESCRIPTION	NEW MEXICO			TEXAS		
	NO. OF WELLS	TOP FEE WELL ALLOWABLE	TOTAL ALLOWABLE	NO. OF WELLS	TOP FEE WELL ALLOWABLE	TOTAL ALLOWABLE
Clarefork (Brinkard)	1	80	80	85	91	7721
Devonian	4	135	540	134	100	13400
Ellenburger	5	211	1055	44	100	4400
Silurian (Frasco)	3	135	405	59	100	5900
				.		
				.		
				.		
				.		

EXHIBIT "A"

PRORATION SCHEDULE LISTED BELOW IS EFFECTIVE
JULY 1, 1952, 7 A.M., UNTIL FURTHER ORDERED

(8-289) DOLLARHIDE CLEARFORK FIELD, ANDREWS COUNTY
Disc. 6-3-49 Gravity 38.9° Approx. Depth 6545'

Allocation: Per Well
Permissible GOR: 2000-1
MER: 91 barrels PWT

OPERATOR & LEASE	WELL NO.	POTE	GOR MCF-1	PER WELL ALLOW	TOTAL LEASE ALLOW
CITIES PRODUCTION CORPORATION					
Cowden "E"	1-C	492		91	
	2-C	644		91	
	3-C	273		91	
	4-C	331		91	
	5-T	244		91	
	6-C	124		91	546
Cowden "F"	1-C	422		91	
	2-T	332		91	182
Cowden "G"	1-C	548		91	
	2-C	239		91	
	3-C	352		91	
	4-C	154		91	
	5-C	255		91	
	6-C	236		91	
	7-C	304		91	
	8-C	122		81	
	9-C	195		91	
	10-T	324		91	
	11-T	32		32 #	932
Cowden "H"	1-C	193		91	
	2-C	205		91	182
Cowden "J"	1-T	66		66 #	66
Cowden "M"	1	185		91	91
MAGNOLIA PETROLEUM COMPANY					
Cowden "B" A/C #4	25	96		10 M	10
Cowden "E" A/C #2	2	256		91	91
Cowden "G" A/C	2	12	5.03	8 #	8
Cowden "H" A/C #2	2	109	2.26	81 *	81
Cowden "I" A/C #2	2	374		73 #	73
Cowden "J" A/C #2	2	298		91	91
Cowden "K" A/C #2	2	308		74 #	74

EXHIBIT "A"

PRORATION SCHEDULE, DOLLARHIDE CLEARFORK FIELD, CONTINUED

OPERATOR & LEASE	WELL NO.	POTE	GOR MCF-1.	PER WELL ALLOW	TOTAL LEASE ALLOW
PURE OIL COMPANY E. B. Cowden "A"	7-C	27		27 M	
	28-C	229		91	
	33-C	351		91	
	37-C	312		91	
	54-C	206		91	
	55-C	193		91	
	59-C	202		91	
	60-C	176		91	
	64-C	260		91	
	67-C	160		91	
	68-C	195		91	
	71-C	103		91	
	72-C	109		91	
	73-C	164		91	
	74-C	273		91	
	75-C	249		91	
	76-C	512		91	
	77-C	496		91	
	78-C	734		91	
	79-C	532		91	
	80-C	135		91	
	81-C	50		39 $\frac{1}{2}$	
	82-C	249		91	
	83-C	293		91	
	84-C	260		91	
	85-C	401		91	
	86-C	204		91	
	87-C	140		91	
	88-C	377		91	
	89-C	176		91	
	90-C	325		91	
	91-C	100		91	
	92-C	245		91	
	93-C	100		91	
	94-C	364		91	
	95-C	343		91	
	96-C	235		91	
	97-C	189		91	
	98-C	207		91	
	99-C	293		91	
	100-C	244		91	
	101-C	246		91	
	102-C	375		91	
	103-C	108		91	
	104-C	82		82 $\frac{1}{2}$	
	105-C	146		91	
	107-C	110		91	
	109-C	102		91	4243
E. P. Cowden "B"	10-C	47		47 $\frac{1}{2}$	
	12-C	318		91	
	13-C	124		91	
	14-C	115		91	320
FIELD TOTAL:	82			6990	6990

DOLLARHIDE CLEARFORK FIELD

DISTRICT NO. 5

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7-1-52

jem

EXHIBIT "A"

PRORATION SCHEDULE LISTED BELOW IS EFFECTIVE
JULY 1, 1952, 7 A.M., UNTIL FURTHER ORDERED

(8-152) DOLLARHIDE DEVONIAN FIELD, ANDREWS COUNTY
Disc. 8-14-45 Approx. Depth 8051'

Allocation: 75% Acreage and 25% Per Well
Acreage Factor: 1.875
Per Well Allowable: 25 barrels
Permissible GOR: 2000-1
MER: 100 bbls. FWT

OPERATOR & LEASE	WELL NO.	ACRES	POTE	GOR MCF-1	ACRG ALLOW	PER WELL ALLOW	TOTAL WELL ALLOW	TOTAL LEASE ALLOW
CITIES PRODUCTION CORPORATION								
Cowden "E"	1-T	40	291		75	25	100	
	2-T	40	117		75	25	100	
	3-T	40	157		75	25	100	
	4-T	40	146		75	25	100	
	5-C	40	339		75	25	100	
	6-T	40	209		75	25	100	
	7	40	162		75	25	100	700
Cowden "F"	1-T	40	215		75	25	100	
	2-C	40	316		75	25	100	200
Cowden "G"	1-T	40	604		75	25	100	
	2-T	40	220		75	25	100	
	3-T	40	282		75	25	100	
	4-T	40	227		75	25	100	
	5-T	40	224		75	25	100	
	6-T	40	188		75	25	100	
	7-C	40	381		75	25	100	
	8-T	40	105		75	25	100	
	9-T	40	236		75	25	100	
	10-C	40	414		75	25	100	
	11-C	40	694		75	25	100	
	12-T	40	200		75	25	100	1200
Cowden "H"	1-T	40	182		75	25	100	
	2-T	40	148		75	25	100	200
Cowden "J"	1-C	40	209		75	25	100	100
Cowden "K"	1	40	434		75	25	100	
	2	40	400		75	25	100	200
Cowden "N"	1	40	130		75	25	100	100
Cowden "P"	1	40	349		75	25	100	100
HUMBLE OIL & REFINING COMPANY								
E. P. Cowden A/C #1								
	2-T(DC)	40	399	4.65			43 *	
	3	40	322	2.09			96 *	
	4-T-1	40	51				33 #	
	5-T(DC)	40	234	2.47			81 *	253
E. P. Cowden A/C #2								
	7	40	354				73 #	
	19	40	241	5.64			30 #	103
E. P. Cowden A/C #3								
	10-T	40	292	2.71			74 *	
	12-T	40	406	7.34			27 *	
	17-T-1	40	211	7.34			27 *	128
E. P. Cowden A/C #4								
	8	40	417		75	25	100	100

DOLLARHIDE DEVONIAN FIELD

DISTRICT NO. 8

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EXHIBIT "A"
PRODUCTION SCHEDULE, DOLLARHIDE DEVONIAN FIELD, ANDREWS COUNTY

OPERATOR & LEASE	WELL NO.	ACRES	POTE	GOR MCF-1	ACRG ALLOW	PER WELL ALLOW	TOTAL WELL ALLOW	TOTAL LEASE ALLOW
LION OIL COMPANY								
E. P. Cowden (Tennie)								
	1	39.84	402	3.33			60 *	
	2	39.84	794		75	25	100	
	3	39.84	373	2.10			95 *	
	4	39.84	395		75	25	100	355
Tennie Cowden "B"	1	40	67				41 $\frac{1}{4}$	
	2	40	150				73 $\frac{1}{4}$	114
MAGNOLIA PETROLEUM COMPANY								
E. P. Cowden	1	40	244	2.60			77 *	
	2	40	308				54 $\frac{1}{4}$	131
Cowden "A"	1	40	100	2.98			67 *	
	2	40	254		75	25	100	
	3	40	198		75	25	100	
	4	40	197		75	25	100	367
Cowden "B" Acct. 2								
	3-T	40	141	9.86			20 *	
	4-T	40	27	5.20			23 $\frac{1}{4}$	
	7-T	40	291		75	25	100	
	11-T	40	174	8.22			24 *	
	14-T	40	73	7.27			26 $\frac{1}{4}$	
	17-T	40	28				40 $\frac{1}{4}$	233
Cowden "C"	1	40	390	2.17			92 *	
	2	40	141	5.09			27 $\frac{1}{4}$	
	3	40	246	4.89			41 *	
	4	40	298		75	25	100	
	5	40	150	4.53			44 *	
	6	40	196		75	25	100	
	7	40	227	3.18			63 *	
	8	40	111		75	25	100	
	9	40	154		75	25	100	
	10	40	117		75	25	100	767
Cowden "D"	1-C	40	214	4.35			30 $\frac{1}{4}$	30
Cowden "E"	1-T	40	122	5.44			37 *	37
Cowden "F"	1-T	40	108	3.43			27 $\frac{1}{4}$	27
Cowden "G"	1-T	40	106	3.69			20 $\frac{1}{4}$	20
Cowden "H"	1-T	40	168	3.16			63 *	63
Cowden "I"	1	40	204	2.14			73 $\frac{1}{4}$	73
Cowden "K"	1	40	168	2.80			71 *	71
Tennie Cowden	2	40	336	2.97	75	25	67 *	
	3-T	40	176	4.08			49 *	116
PURE OIL COMPANY								
E. P. Cowden "A"	3-D	40	297		75	25	100	
	4-D	40	490	9.30			22 *	
	5-D	40	132		75	25	100	
	7-D	40	137	4.84			41 *	
	10-D	40	443	2.90			69 *	
	13-D	40	102	6.345			32 *	
	14-D	40	242		75	25	100	

EXHIBIT "A"

PRORATION SCHEDULE, DOLLARHIDE DEVONIAN FIELD, ANDREWS COUNTY

OPERATOR & LEASE	WELL NO.	ACRES	POTE	GOR MCF-1	ACRG ALLOW	PER WELL ALLOW	TOTAL WELL ALLOW	TOTAL LEASE ALLOW
PURE OIL COMPANY (CONTINUED)								
E. P. Cowden "A" (Continued)								
	18-D	40	170	3.14			64 *	
	21-D	40	250	5.83			34 *	
	22-D	40	287	2.02			99 *	
	25-D	40	202		75	25	100	
	27-D	40	50				19 $\frac{1}{4}$	
	28-D	40	176		75	25	100	
	32-D	40	150	3.28			35 $\frac{1}{4}$	
	33-D	40	156		75	25	100	
	34-D	40	153		75	25	100	
	37-D	40	134		75	25	100	
	38-D	40	402		75	25	100	
	39-D	40	159		75	25	100	
	40-D	40	109		75	25	100	
	42-D	40	147		75	25	100	
	43-D	40	181		75	25	100	
	44-D	40	142	3.17			63 *	
	46-D	40	192		75	25	100	
	47-D	40	151		75	25	100	
	48-D	40	101	3.67			54 *	
	49-D	40	208		75	25	100	
	50-D	40	157		75	25	100	
	51-D	40	121		75	25	100	
	52-D	40	143		75	25	100	
	53-D	40	170		75	25	100	
	56-D	40	138		75	25	100	
	57-D	40	188		75	25	100	
	58-D	40	243		75	25	100	
	61-D	40	147		75	25	100	
	62-D	40	77				77 $\frac{1}{4}$	
	63-D	40	109	4.92			41 *	
	65-D	40	159		75	25	100	
	66-D	40	178	2.32			86 *	
	69-D	40	50				50 $\frac{1}{4}$	
	70-D	40	128		75	25	100	
	91-D	40	129		75	25	100	
	106-D	40	258		75	25	100	
	108-D	40	149		75	25	100	3686
E. P. Cowden "B"								
	2-D	40	480		75	25	100	
	3-D	40	116	2.99			43 $\frac{1}{4}$	
	9-D	40	102	6.04			33 *	
	11-D	40	120	2.49			80 *	256
KELLY OIL COMPANY								
P. W. Cowden "A"								
	1	40	489	5.12			39 *	
	2	40	289	3.65			55 *	94
P. W. Cowden "B"								
	1	40	168				42 $\frac{1}{4}$	42
UNION OIL COMPANY OF CALIFORNIA								
E. P. Cowden								
	2	40	805	5.42			37 *	
	3 D.C.	40	116				16 $\frac{1}{4}$	
	4	40	668		75	25	100	
	5	40	145		75	25	100	253
E. P. Cowden "H"								
	1	40	408		75	25	100	
	2	40	168		75	25	100	200
FIELD TOTAL:								
		132			5625	1875 (2819)	10319	10319

EXHIBIT "A"

PRORATION SCHEDULE LISTED BELOW IS EFFECTIVE
JULY 1, 1952, 7 A.M., UNTIL FURTHER ORDERED

(8-305) EAST DOLLARHIDE (DEVONIAN) FIELD, ANDREWS COUNTY
Disc. 7-9-49 Gravity 41.20 Apprx. Depth 10,186'

Allocation: Per Well
Permissible GOR: 2000-1
FWT: 210

OPERATOR & LEASE	WELL NO.	POTE	GOR MCF-1	PER WELL ALLOW	LEASE ALLOW
MAGNOLIA PETROLEUM COMPANY					
Special Cowden "B" A/C #2					
	1-C	38		20 #	
	2	217		0	
	3	257	2.90	47 #	67
STANOLIND OIL & GAS COMPANY					
E. P. Cowden					
	1	308		58 #	58
<hr/>					
FIELD TOTAL:	4			203	203

EXHIBIT "A"

PRODUCTION SCHEDULE LISTED BELOW IS EFFECTIVE
JULY 1, 1952, 7 A.M., UNTIL FURTHER ORDERED

(8-211) DOLLARHIDE ELLENBERGER FIELD, ANDREWS COUNTY
Approx. Depth 10137'

Allocation: 75% Acreage and 25% Per Well
Permissible GOR: 2000-1
Acreage Factor: 1.875
Per Well Allowable: 25 barrels

OPERATOR & LEASE	WELL NO.	ACRES	POTE	GOR MCF-1	ACRG ALLOW	PER WELL ALLOW	TOTAL WELL ALLOW	TOTAL LEASE ALLOW
HUMBLE OIL & REFINING COMPANY								
E. P. Cowden A/C #1								
	11	40	75				25 #	
	14	40	1011		75	25	100	
	18	40	117				57 #	182
E. B. Cowden A/C #3								
	6	40	766		75	25	100	
	9	40	532		75	25	100	
	13	50	628		75	25	100	
	16	40	411		75	25	100	400
MAGNOLIA PETROLEUM COMPANY								
Cowden "B" A/C #3								
	5	40	1320		75	25	100	
	6	40	693		75	25	100	
	8	40	363		75	25	100	
	9	40	126		75	25	100	
	10	40	972		75	25	100	
	12	40	283				62 #	
	13	40	190		75	25	100	
	15	40	511		75	25	100	
	16	40	630		75	25	100	
	19	40	171		75	25	100	1062
Cowden Tennie	1	40	120		75	25	100	100
PURE OIL COMPANY								
Cowden "A"								
	1-E	40	698		75	25	100	
	2-E	40	569				69 #	
	8-E	40	674		75	25	100	
	9-E	40	759		75	25	100	
	11-E	40	776		75	25	100	
	12-E	40	536		75	25	100	
	16-E	40	266				18 #	
	17-E	40	621		75	25	100	
	19-E	40	602		75	25	100	
	20-E	40	709		75	25	100	
	23-E	40	550		75	25	100	
	24-E	40	574		75	25	100	
	26-E	40	132				33 #	
	29-E	40	296		75	25	100	
	30-E	40	221		75	25	100	
	31-E	40	265		75	25	100	
	36-E	40	343		75	25	100	
	41-E	40	320		75	25	100	
	45-E	40	202		75	25	100	1720
Cowden "B"								
	1-E	40	627		75	25	100	
	6-E	40	596		75	25	100	
	7-E	40	505		75	25	100	
	8-E	40	662		75	25	100	400
SKELLY OIL COMPANY								
P. W. Cowden "A"								
	3	40	215				7 #	
	4	40	517		75	25	100	107

EXHIBIT "A"

PRORATION SCHEDULE, DOLLARHIDE ELLENBERGER FIELD, CONTINUED

OPERATOR & LEASE	WELL NO.	ACRES	POTE	GOR MCF-1	ACRG ALLOW	PER WELL ALLOW	TOTAL WELL ALLOW	TOTAL LEASE ALLOW
UNION OIL COMPANY OF CALIFORNIA								
E. P. Cowden	6	40	533		75	25	100	
	7	40	760		75	25	100	200
<hr/>								
FIELD TOTAL:	45	1800	23663		2925	975 (171)	4071	4071

(G-167) DOLLARHIDE SILURIAN FIELD, ANDREWS COUNTY
Disc. 1-8-47 Approx. Depth 8345'

Allocation: 75% Acreage and 25% Per Well
Permissible GOR 2000-1
Acreage Factor: 3.375
Per Well Allowable: 45

OPERATOR & LEASE	WELL NO.	ACRES	POTE	GOR MCF-1	ACRG ALLOW	PER WELL ALLOW	TOTAL WELL ALLOW	TOTAL LEASE ALLOW
HUMBLE OIL & REFINING COMPANY								
E. P. Cowden A/C #1								
	2-C(DC)	40	410				105 #	
	4-T-2	40	154				31 #	136
E. P. Cowden A/C #3								
	10-C	40	830		135	45	180	
	12-T-2	40	359		135	45	180	
	15	40	309		135	45	180	
	17-T-2	40	240		135	45	180	720
MAGNOLIA PETROLEUM COMPANY								
Cowden "B"	2	40	536		135	45	180	
	3-C	40	324		135	45	180	
	4-C	40	618		135	45	180	
	7-C	40	276		135	45	180	
	11-C	40	215		135	45	180	
	14-C	40	295		135	45	180	
	17-C	40	248		135	45	180	
	20	40	185		135	45	180	
	22	40	270				131 #	
	23	40	522		135	45	180	1751
Cowden "B" Sec. 3								
	21	40	320		135	45	180	
	24	40	282				65 #	245
Cowden "D"	1-T	40	192				43 #	43
Cowden "E"	1-C	40	228		135	45	180	180
Cowden "F"	1-C	40	188				53 #	53
Cowden "G"	1-C	40	276		135	45	180	180
Cowden "H"	1-C	40	189				112 #	112
Cowden "J"	1	40	271		135	45	180	180
Tennie Cowden	3-C	40	142				142 #	142

DOLLARHIDE SILURIAN FIELD

DISTRICT NO.8

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EXHIBIT "A"
PRORATION SCHEDULE, DOLLARHIDE SILURIAN FIELD, CONTINUED

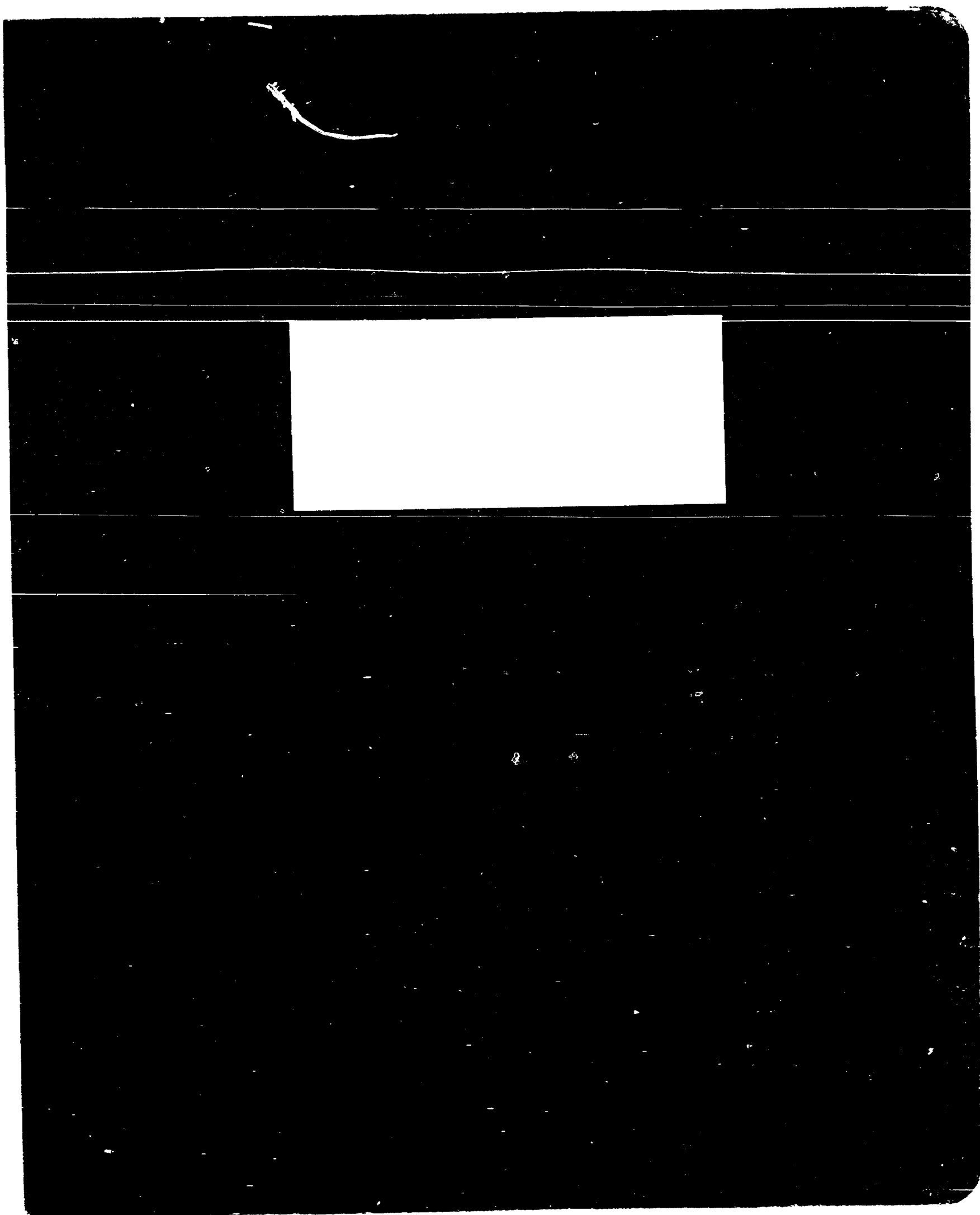
OPERATOR & LEASE	WELL NO.	ACRES	POTE	GOR M-1	ACRG ALLOW	PER WELL ALLOW	TOTAL WELL ALLOW	TOTAL LEASE ALLOW
PURE OIL COMPANY								
E. P. Cowden "A"								
	3-S	40	211				12 #	
	4-S	40	211		135	45	180	
	5-S	40	786		135	45	180	
	6-S	40	271		135	45	180	
	8-S	40	398		135	45	180	
	9-S	40	425		135	45	180	
	14-S	40	107				70 #	
	15-S	40	360		135	45	180	
	21-S	40	186		145	45	180	
	25-S	40	342		135	45	180	
	26-S	40	230				34 #	
	27-S	40	180		135	45	180	
	31-S	40	223		135	45	180	
	22-S	40	234		135	45	180	
	34-S	40	214				63 #	
	35-S	40	171				101 #	
	36-S	40	193		135	45	180	
	39-S	40	269		135	45	180	
	40-S	40	193		135	45	180	
	41-S	40	222		135	45	180	
	43-S	40	196				74 #	
	45-S	40	238		135	45	180	
	53-S	40	196				88 #	
	63-S	40	267				100 #	
	66-S	40	221		135	45	180	3602
E. P. Cowden "B"								
	4-S	40	314		135	45	180	
	5-S	40	516		135	45	180	
	8-S	40	516		135	45	180	
	9-S	40	229		135	45	180	720
SKELLY OIL COMPANY								
P. W. Cowden "A" 4		40	210				103 #	103
UNION OIL COMPANY OF CALIFORNIA								
E. P. Cowden	6	40	228		135	45	180	
	7	40	215		135	45	180	360
FIELD TOTAL :								
	58	2320			5400	1800 (1327)	8527	8527

(8-298) EAST DOLLARHIDE SILURIAN FIELD, ANDREWS CO.

Disc. 7-22-49 Gravity 40.5° Approx. Depth 11,000'

OPERATOR & LEASE	WELL NO.	POTE	GOR MCR-1	PER WELL ALLOW	TOTAL LEASE ALLOW
MAGNOLIA PETROLEUM COMPANY					
Special Cowden "B"	1-T	60		66 #	66

CASE 408: Joint Hearing with Texas RR Com-
mission, Midland, Tex., October 7 1952
Re: Protraction, West Dollardhide Pool et al



JOINT HEARING
RAILROAD COMMISSION OF TEXAS
AND
OIL CONSERVATION COMMISSION OF NEW MEXICO
OCTOBER 23, 1952

To Consider

DETERMINATION OF EQUITABLE ALLOWABLES FOR
THE DOLLARHIDE CLEARFORK, DOLLARHIDE DEVONIAN,
DOLLARHIDE SILURIAN AND DOLLARHIDE ELLENBURGER FIELDS

ANDREWS COUNTY, TEXAS

AND

THE WEST DOLLARHIDE FIELDS

LEA COUNTY, NEW MEXICO

Prepared By:

The Pure Oil Company
Production Engineering Department
Fort Worth, Texas

CLEARPORT

RESERVOIR DATA
DOLLARHIDE CLEARFORK FIELD

1. PHYSICAL PROPERTIES OF RESERVOIR ROCK

- a. Approximate Average Porosity - Per Cent - 10.40
- b. Approximate Average Permeability - Millidarcys - 2.20
- c. Approximate Average Interstitial Water Saturation - Per Cent - 18.28

(Note: Porosity, Permeability and Saturation data taken from core analysis on Cities Service Oil Company E. P. Cowden "G" No. 3 and The Pure Oil Company E. P. Cowden "A" No. 33-C - No. 33-C cored entire Clearfork section.)

2. STRUCTURAL FEATURES OF RESERVOIR

- a. General Geological description of the reservoir

The Dollarhide Clearfork structure is anticlinal with the major axis running north and south; however, recent drilling in Lea County, New Mexico indicates the field may extend a considerable distance to the west. The Clearfork reservoir produces from approximately 6200' to 7000' from dolomite and lime containing some fissured and some vugular porosity. Porosity development is heterogeneous with poor correlation of the individual porosity streaks even between adjacent wells.

- b. Original Gas-Oil Contact - Feet Subsea - None

Original Water-Oil Contact - Feet Subsea - Level still in doubt -
there is some indication it may be as high as -3750'.

- c. Ratio of Gas-Cap Volume to Oil Zone Volume - -

- d. Dip of Producing Zone - Approximately 300 feet per mile in south end of reservoir.

RESERVOIR DATA
DOLLARHIDE CLEARFORK FIELD

3. CHARACTERISTICS OF RESERVOIR FLUIDS

- a. Average Gravity of Stock Tank Oil - 38.1° API
- b. Estimated Saturation Pressure - 2190 PSI @ -3400'
Formation Volume Factor - Bbls. Reservoir Oil/Bbl. Stock Tank Oil
At Original Pressure - 1.390 @ 2889 PSI
At Saturation Pressure - 1.402 @ 2190 PSI
At 1836 PSI FVF - 1.358
- c. Viscosity of Reservoir Oil - Centipoise
At Original - 0.610 @ 2889 PSI
At Saturation Pressure - 0.572 @ 2190 PSI
At 1836 PSI Viscosity - 0.630
- d. Dissolved Gas-Oil Ratio @ 0 PSI Separator Pressure - Cu.Ft./Bbl. Stock Tank Oil
At Original Pressure - 803
At Saturation Pressure - 803
At 1836 PSI - 707

4. PRESSURES AND TEMPERATURES

- a. Estimated Original Reservoir Pressure @ -3400' - 2889 PSI
Estimated Original Reservoir Temperature @ -3400' - 110° F.
- b. Reservoir Pressure History - PSI (Arithmetic Avg.)
See attached graph
- c. Average Shut-In Time Prior to Pressure Survey - 24 hours minimum

RESERVOIR DATA
DOLIARHIDE CLEARFORK FIELD

d. Productivity Index - Bbls./Day/PSI Pressure Drop

Average - 0.656

Maximum - 2.92

Minimum - 0.127

(Productivity index data is from nine wells)

5. STATISTICAL DATA

a. Oil Production - Bbls. Per Day - See attached graph

b. Average Weighted Gas-Oil Ratio - See attached graph

c. Water Production - Per Cent of Total Fluid - See attached graph

d. Number of Producing Wells - 82 (as of July 1, 1952)

Number of Limited Capacity Wells - 10

Number of High Gas-Oil Ratio Wells - 2

Number of Salt Water Producing Wells - 11

e. Approximate Developed Acreage - 3280

f. Spacing Pattern - Acres Per Well - 40

g. Volume of Gas Flared - MCF/Day - None (gas is flared only in emergency)

h. Volume of Air, Gas or Water Injected into the Reservoir - None

i. Stage of Depletion - Primary

6. INDIVIDUAL WELL PROBLEMS

There are no particular well problems considering the field as a whole. The permeable zones in the Clearfork are not as clearly defined as many other Clearfork Fields in the West Texas - New Mexico Area. This has necessitated the use of stage acid techniques involving

RESERVOIR DATA
DOLLARHIDE CLEARFORK FIELD

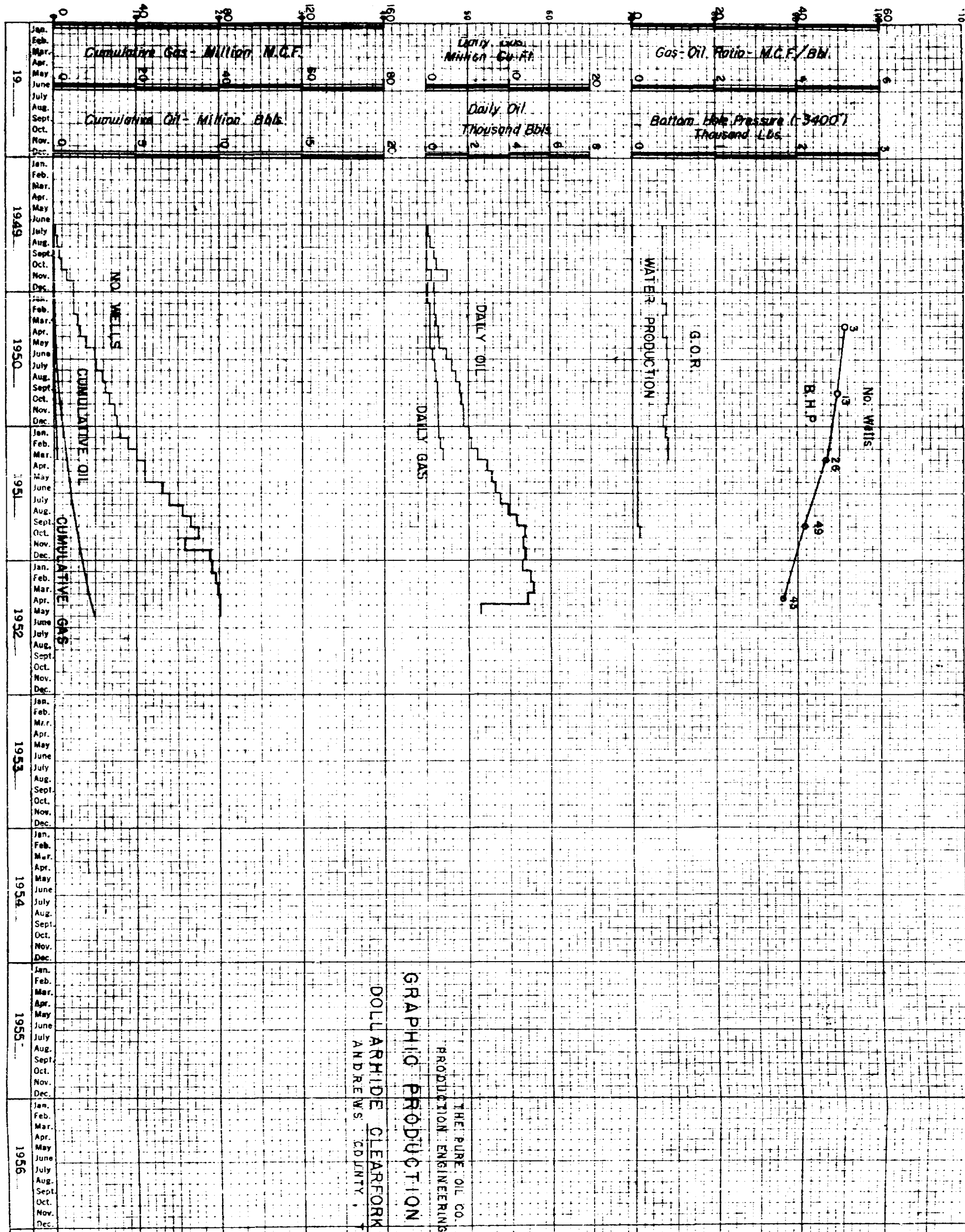
the use of temporary blocking agents. Those edges of the field which are now defined show poor porosity and permeability as establishing such limits as well as structural considerations. These wells located on such limits are comparatively weak wells and have or will in the near future require artificial lift.

7. GENERAL RESERVOIR MECHANICS

The Dollarhide Clearfork Field produces from a solution-gas drive. The success of an individual well depends largely on whether the well penetrates porous and permeable zones. The occurrence of porosity does not necessarily follow the structure, and this heterogeneity makes evaluation of the Clearfork reservoir difficult. Production history to date is typical of solution-gas drive reservoirs.

Number of Wells

Water Production
Percent of Total Fluid



DOLLARHIDE CLEARFORK FIELD
ANDREWS COUNTY, TEXAS
DISTRICT 8
PRODUCTION HISTORY

Year	Month	No. Wells	Oil Production - Bbls.			Gas Production - MCF		GOR ⁴	Daily Water-Bbls. ³	BHP @ -3400'	
			Daily ²	Monthly ¹	Accumulative	Monthly	Accumulative			P.S.I.	No. Wells ⁵
1949	July	1	139	4,302	4,302	3,406	3,406	708			
	Aug.	2	190	5,877	10,179	4,161	7,557	708			
	Sept.	3	421	12,623	22,802	8,937	16,504	708			
	Oct.	4	504	15,618	38,420	11,057	27,561	708			
	Nov.	7	1,000	29,988	68,408	21,232	48,793	708			
	Dec.	10	432	13,378	81,786	9,472	58,265	708			
Yearly Total				81,786		58,265					
1950	Jan.	10	445	13,806	95,592	9,775	68,040	708			
	Feb.	10	448	12,531	108,123	9,794	77,834	782			
	Mar.	12	563	17,450	125,573	12,354	90,188	708			
	Apr.	13	634	19,023	144,596	13,654	103,842	718 *		2633	1
	May	16	684	21,211	165,807	17,249	121,091	813			
	June	20	1,052	31,574	197,381	24,970	146,061	790			
	July	21	1,223	37,903	235,284	31,769	177,830	838			
	Aug.	24	1,400	43,415	278,699	37,411	215,241	862			
	Sept.	25	1,609	48,261	326,960	40,355	255,596	836			
	Oct.	27	1,716	53,209	380,169	43,841	299,437	824			
	Nov.	30	1,833	54,978	435,147	43,938	343,375	799		** 2474	13
	Dec.	31	1,771	54,911	490,058	39,950	383,325	728			
Yearly Total				408,272		325,660					

1 - EB reported production

2 - Calendar days

3 - Dollarhide Engineering Committee Factual Data.

4 - GOR of 708 was determined by average of original GOR from Pure 28-C, 33-C, 37-C, & 54-C.

5 - BHP from Cities Service R.F. Cowden H-1 - (** - From Pure Oil Company's wells)

* - Starting in April GOR's are determined by Gasoline Plant take.

DOLLARHIDE CLEARFORK FIELD
ANDREWS COUNTY, TEXAS
DISTRICT 8
PRODUCTION HISTORY

Year	Month	No. Wells	Oil Production - Ebbs.			Gas Production - MCF		GOR ⁴	Daily Water-Ebbs ³	BHP @ -3400'	
			Daily ²	Monthly ¹	Accumulative	Monthly	Accumulative			P.S.I.	No. Wells
1951	Jan.	32	2077	64,401	554,459	50,038	433,363	777	21		
	Feb.	36	2153	60,277	614,736	49,279	482,642	818	24		
	Mar.	41	2557	79,268	694,004	64,781	547,423	817	25		
	April	44	2902	87,060	781,064				31	2329	26
	May	44	3132	97,090	878,154				33		
	June	53	3292	98,773	976,927				31		
	July	56	3572	110,742	1,087,669				38		
	Aug.	62	3951	122,467	1,210,136				45		
	Sept.	66	4374	131,227	1,341,363				57		
	Oct.	70	4705	145,850	1,487,213				71	2080	49
	Nov.	63	4686	140,572	1,627,785						
	Dec.	75	4731	146,649	1,774,434						
Yearly Total				1,284,376							
1952	Jan.	76	4672	144,820	1,919,254						
	Feb.	78	5048	146,382	2,065,636						
	Mar.	79	5185	160,747	2,226,383						
	April	81	4926	147,774	2,374,157					1836	43
	May	81	2663	82,542	2,456,699						
	June										
	July										
	Aug.										
	Sept.										
	Oct.										
	Nov.										
	Dec.										
Yearly Total											

1 - EB Reported Production

2 - Calendar Daily Rate

3 - Dollarhide Engineering Committee Factual Data

4 - GOR's Determined from Gasoline Plant Take

NEGOTIAN

RESERVOIR DATA
DOLLARHIDE DEVONIAN FIELD

1. PHYSICAL PROPERTIES OF RESERVOIR ROCK

- a. Approximate Average Porosity - Per Cent - 12.57
- b. Approximate Average Permeability - Millidarcys - 39.5
- c. Approximate Average Interstitial Water Saturation - Per Cent - 19.90

(Note: Saturation data taken from core analysis on Magnolia E. P. Cowden "B" 10 and "B" 11, Cities Service Oil Company E. P. Cowden "G" No. 8, and The Pure Oil Company "A" No. 49-D. Porosity and permeability data taken from core analysis on these wells and Magnolia E. P. Cowden "B" 9.)

2. STRUCTURAL FEATURES OF RESERVOIR

- a. General geological description of reservoir

The Dollarhide Devonian structure is a north-south faulted anticline whose limits are defined by a major north-south fault to the east and by the formation's dipping into the water-oil contact (5300 feet subsea) on the west. Recent development has proved a westward extension from the north end of the field into Lea County, New Mexico. Two northeast-southwest faults cross the field. There is apparently poor communication across the southernmost of these faults, as evidenced by bottom hole pressures in the south end of the field being consistently lower than those in the field north of the fault. The formation is eroded on the crest of the structure, and there are two areas of complete truncation. Production is from a fractured dolomite and a weathered chert of Devonian age.

RESERVOIR DATA
DOLLARHIDE DEVONIAN FIELD

- b. Original Gas-Oil Contact - Feet Subsea - None
Original Water-Oil Contact - Feet Subsea - -5300'
- c. Ratio of Gas-Cap Volume to Oil Zone Volume - -
- d. Dip of Producing Zone - Approximately 750 feet per mile to the west

3. CHARACTERISTICS OF RESERVOIR FLUIDS

- a. Average Gravity of Stock Tank Oil - 41.2° API
- b. Estimated Saturation Pressure - 2775 PSI @ -4600'
Formation Volume Factor - Bbls. Reservoir Oil/Bbl. Stock Tank Oil
At Original Pressure - 1.632 @ 3233 PSI
At Saturation Pressure - 1.695 @ 2775 PSI
At 2166 PSI FVF - 1.560
- c. Viscosity of Reservoir Oil - Centipoise
At Original Pressure - 0.41 @ 3233 PSI
At Saturation Pressure - 0.40 @ 2775 PSI
At 2166 PSI Viscosity - 0.435
- d. Dissolved Gas-Oil Ratio @ 0 PSI Separator Pressure - Cu.Ft./Bbl. Stock Tank Oil
At Original Pressure - 1190
At Saturation Pressure - 1190
At 2166 PSI - 930

4. PRESSURES AND TEMPERATURES

- a. Estimated Original Reservoir Pressure @ -4600' - 3233 PSI
Estimated Original Reservoir Temperature @ -4600' - 120° F.

RESERVOIR DATA
DOLLARHIDE DEVONIAN FIELD

- b. Reservoir Pressure History - PSI (Arithmetic Avg. - Areally Weighted)

See attached graph

- c. Average Shut-In Time Prior to Pressure Survey - 48 hours minimum

- d. Productivity Index - Bbls./Day/PSI Pressure Drop

Average - 0.363

Maximum - 1.05

Minimum - 0.064

(Note: Productivity Index data from seventeen wells)

5. STATISTICAL DATA

- a. Oil Production - Bbls. Per Day - See attached graph

- b. Average Weighted Gas-Oil Ratio - See attached graph

- c. Water Production - Per Cent of Total Fluid - Currently 0.7 of 1%

- d. Number of Producing Wells - 132 (as of July 1, 1952)

Number of Limited Capacity Wells - 21

Number of High Gas-Oil Ratio Wells - 37

Number of Salt Water Producing Wells - 7

- e. Approximate Developed Acreage - 5280

- f. Spacing Pattern - Acres Per Well - 40

- g. Volume of Gas Flared - MCF/Day - None (Gas is flared only in emergency)

- h. Volume of Air, Gas or Water Injected into the Reservoir - None

- i. Stage of Depletion of Reservoir - Primary

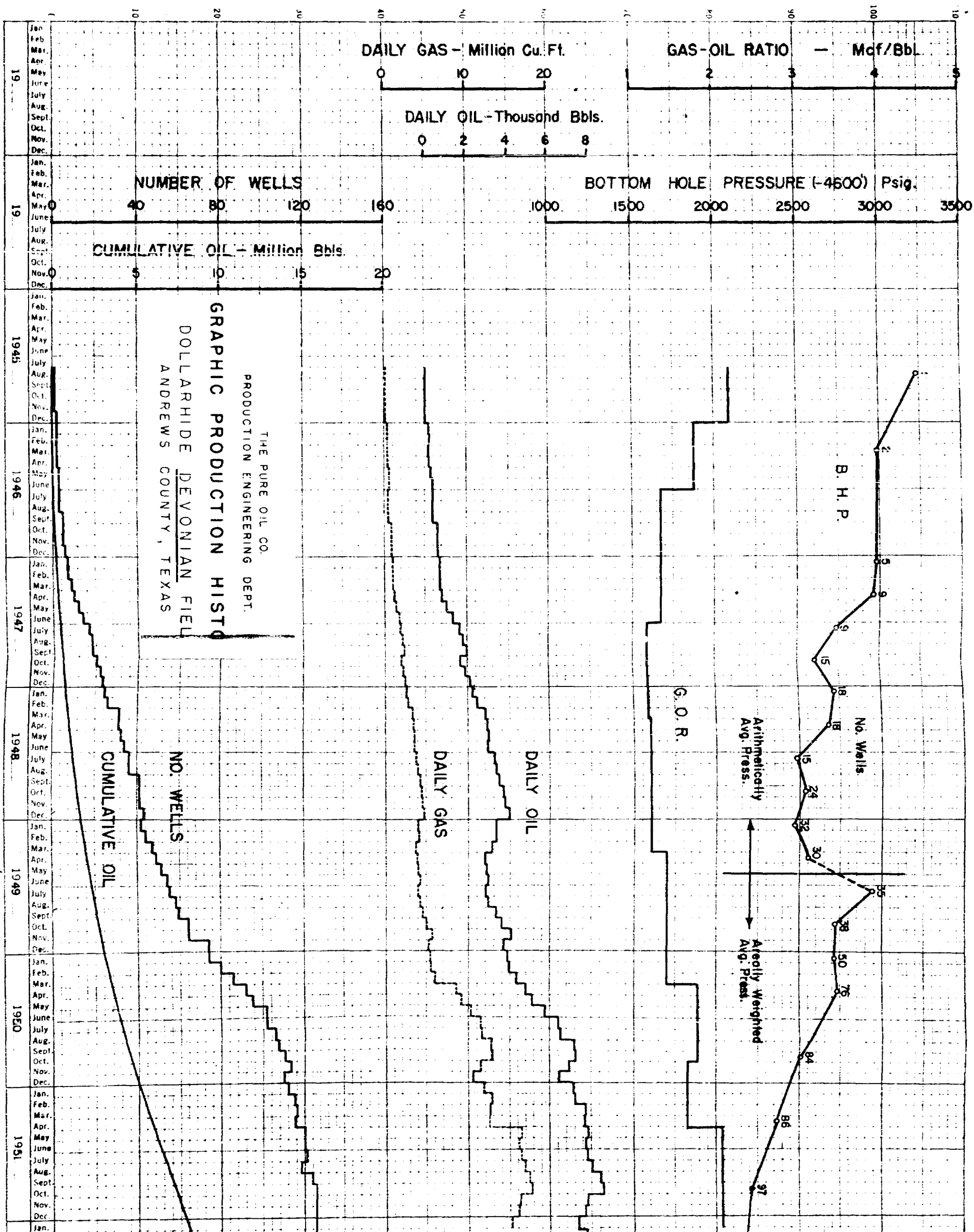
6. INDIVIDUAL WELL PROBLEMS

The only difficulty is with wells located high on structure which are high gas-oil ratio wells. This is to be expected in a solution-gas drive field having good gravity segregation.

RESERVOIR DATA
DOLLARHIDE DEVONIAN FIELD

7. GENERAL RESERVOIR MECHANICS

The Dollarhide Devonian Field produces from a solution-gas drive. In addition, good gravity segregation is apparent, as the high gas-oil wells, in most every case, are located on the crest of the structure. Factors favoring gravity segregation are the dip of the structure (750 ft. per mile) and the fractured type of porosity. Fluid segregation occurs more easily in fractured porosity than in intergranular or intercrystalline porosity. Production history to date is typical of solution-gas drive reservoirs.



DOLLARHIDE FIELD
ANDREWS COUNTY, TEXAS
DISTRICT 8
PRODUCTION HISTORY

Year	Month	No. Wells	Oil Production - Bbls.			Gas Production - MCF		GOR	Daily Water-Bbls.	BHP @ -4600'	
			Daily	Monthly	Accumulative	Monthly	Accumulative			P.S.I.	No. Wells
1945	Aug.	1	71	2,215	2,215	4,842	4,842	2186	0	3233	1
	Sep.	1	71	2,136	4,351	4,669	9,511	2186	0		
	Oct.	1	83	2,561	6,912	5,598	15,109	2186	0		
	Nov.	1	86	2,594	9,506	5,670	20,779	2186	0		
	Dec.	2	83	2,587	12,093	5,655	26,434	2186	0		
	Yearly Total			12,093		26,434					
1946	Jan.	2	228	7,064	19,157	12,369	38,803	1751	0	2985	2
	Feb.	2	255	7,146	26,303	12,513	51,316	1751	0		
	Mar.	2	211	6,534	32,837	11,441	62,757	1751	0		
	Apr.	2	236	7,085	39,922	12,406	75,163	1751	0		
	May	3	362	11,210	51,132	19,629	94,792	1751	0		
	June	3	392	11,769	62,901	20,608	115,400	1751	0		
	July	3	389	12,071	74,972	16,199	131,599	1342	0		
	Aug.	3	373	11,575	86,547	15,534	147,133	1342	0		
	Sep.	5	395	11,839	98,386	15,888	163,021	1342	0		
	Oct.	5	651	20,180	118,566	27,082	190,103	1342	0		
	Nov.	5	650	19,503	138,069	26,173	216,276	1342	0		
	Dec.	6	674	20,888	158,957	28,032	244,308	1342	0		
	Yearly Total			146,864		244,308					

DOLLARHIDE FIELD
ANDREWS COUNTY, TEXAS
DISTRICT 8
PRODUCTION HISTORY

Year	Month	No. Wells	Oil Production - Bbls.			Gas Production - MCF		GOR ³	Daily Water-Bbls ⁴	BHP @ -4600' ⁵	
			Daily ²	Monthly ¹	Accumulative	Monthly	Accumulative			P.S.I.	No. Wells
1947	Jan.	7	736	22,804	181,761	30,603	274,911	1342	0	2981	5
	Feb.	7	737	20,645	202,406	27,706	302,617	1342	0		
	Mar.	9	712	22,070	224,476	29,618	332,235	1342	0		
	Apr.	10	805	24,160	248,636	32,423	364,658	1342	0	2955	9
	May	12	1,042	32,297	280,933	43,343	408,001	1342	0		
	Jun.	14	1,311	39,337	320,270	52,790	460,791	1342	0		
	Jul.	17	1,625	50,389	370,659	59,207	519,998	1175 *	3	2739	9
	Aug.	18	1,819	56,403	427,062	66,274	586,272	1175	3		
	Sep.	18	1,971	59,128	486,190	69,475	655,747	1175	3		
	Oct.	20	1,647	51,064	537,254	60,000	715,747	1175	3	2606	15 **
	Nov.	22	1,883	56,479	593,733	66,363	782,110	1175	3		
	Dec.	23	2,072	64,233	657,966	75,474	857,584	1175	3		
Yearly Total				499,009		613,276					
1948	Jan.	24	2,245	69,596	727,562	81,775	939,359	1175 *	3	2710	18
	Feb.	26	2,414	70,013	797,575	82,265	1,021,624	1175	3		
	Mar.	31	2,823	87,508	885,083	102,822	1,124,446	1175	3		
	Apr.	31	2,876	86,275	971,358	104,134	1,228,580	1207	11 ***	2679	18
	May	32	2,962	91,822	1,063,180	110,829	1,339,409	1207	11		
	June	34	2,900	87,011	1,150,191	105,022	1,444,431	1207	11		
	Jul.	36	3,232	100,197	1,250,388	120,938	1,565,369	1207	0	2485	15
	Aug.	36	3,310	102,625	1,353,013	123,868	1,689,237	1207	0		
	Sep.	41	3,483	104,500	1,457,513	126,132	1,815,369	1207	14		
	Oct.	41	3,699	114,669	1,572,182	138,405	1,953,774	1207	14	2534	24
	Nov.	41	3,718	111,527	1,683,709	134,613	2,088,387	1207	0		
	Dec.	43	3,952	122,523	1,806,232	147,885	2,236,272	1207	0		
Yearly Total				1,148,266		1,378,688					

*** - Starting in April, daily water is from Dollarhide Engineering Committee Factual Data.

* - In the general GOR survey (Oct.-Nov.-Dec.), the Union of California Oil Co. omitted the decimal point in a gas volume figure. It should have been 46 MCF instead of 458 MCF. Using the 46 MCF, the weighted GOR will be 1175 instead of 1355, used by the RRC. Incorrect gas volume as of Jan. 1948 @ 1355 GOR is 918,369 MCF (Accumulative) and 674,061 MCF for the year 1947.

** - Magnolia's Cowden C-2 omitted in compiling this pressure.

1 - EB reported production

2 - Calendar days

3 - 4 - GOR and Daily Water from RRC Annual Recap.

5 - Magnolia's Cowden C-2 and C-3 omitted in compiling these pressures - these wells have low pressures and apparently have a constricted connection with the remainder of the reservoir.

DOLLARHIDE FIELD
ANDREWS COUNTY, TEXAS
DISTRICT 8
PRODUCTION HISTORY

Year	Month	No. Wells	Oil Production - Bbls.			Gas Production - MCF		GOR ³	Daily Water-Bbls. ⁵	BHP @ -4600' ⁴	
			Daily ²	Monthly ¹	Accumulative	Monthly	Accumulative			P.S.I.	No. Wells
1949	Jan.	42	3,323	103,001	1,909,233	124,322	2,360,594	1207	11	2466	32
	Feb.	44	3,331	93,281	2,002,514	112,590	2,473,184	1207	8		
	Mar.	47	3,085	95,660	2,098,174	115,462	2,588,646	1207	6		
	Apr.	49	2,799	83,959	2,182,133	117,794	2,706,440	1103	8	2544	30
	May	51	2,841	88,058	2,270,191	123,545	2,829,985	1103	8		
	June	54	2,922	87,672	2,357,863	123,004	2,952,989	1103	7		
	July	55	2,806	86,993	2,444,856	122,051	3,075,040	1103	6	2578	35
	Aug.	58	2,918	90,457	2,535,313	126,911	3,201,951	1103	7	(2942) Weighted Avg.	
	Sept.	59	3,343	100,299	2,635,612	140,719	3,342,670	1103	8		
	Oct.	64	3,590	111,281	2,746,893	156,127	3,498,797	1103	10	2552	38
	Nov.	64	4,054	121,605	2,868,498	170,612	3,669,409	1103	11	(2723) Weighted Avg.	
	Dec.	74	3,708	114,943	2,983,441	161,265	3,830,674	1103	10		
Yearly Total				1,177,209		1,594,402					
1950	Jan.	74	3,872	120,043	3,103,484	168,420	3,999,094	1103	18	2647	50
	Feb.	80	3,925	109,900	3,213,384	154,190	4,153,284	1103	15	(2714) Weighted Avg.	
	Mar.	86	4,310	133,624	3,347,008	187,474	4,340,758	1103	18		
	Apr.	92	4,807	144,201	3,491,209	256,245	4,597,003	1777 *	12	2686	76
	May	95	5,134	159,148	3,650,357	282,806	4,879,809	1777	16	(2736) Weighted Avg.	
	June	102	5,773	173,195	3,823,552	307,768	5,187,577	1777	15		
	July	102	6,430	199,320	4,022,882	354,209	5,541,786	1777	18		
	Aug.	106	6,522	202,169	4,225,051	359,254	5,901,040	1777	22		
	Sept.	107	7,192	215,770	4,440,821	383,423	6,284,463	1777	20		
	Oct.	110	7,208	223,435	4,664,256	397,044	6,681,507	1777	15	2475	84
	Nov.	113	6,938	208,132	4,872,388	342,585	7,024,092	1646	18	(2501) Weighted Avg.	
	Dec.	110	6,434	199,461	5,071,849	328,313	7,352,405	1646	21		
Yearly Total				2,088,408		3,521,731					

1 - EB reported production

2 - Calendar days

3 - GOR from E.R.C. Annual Recap.

4 - Magnolia's Cowden C-2 and C-3 omitted in compiling these pressures - these wells have low pressures and apparently have a constricted connection with the remainder of the reservoir.

*Starting in April GOR's are weighted averages.

5 - Dollarhide Engineering Committee Factual Data.

DOLLARHIDE FIELD
ANDREWS COUNTY, TEXAS
DISTRICT 8
PRODUCTION HISTORY

Year	Month	No. Wells	Oil Production - Bbls.			Gas Production - MCF		GOR 3	Daily Water-Bbls ⁴	BHP @ -4600'	
			Daily 2	Monthly 1	Accumulative	Monthly	Accumulative			P.S.I.	No. Wells
1951	Jan.	112	7160	221,975	5,293,824	365,371	7,717,776	1646	28		
	Feb.	115	7192	201,384	5,495,208	331,478	8,049,254	1646	25		
	Mar.	116	7737	239,847	5,735,055	394,788	8,444,042	1646	30		
	Apr.	115	7706	231,187	5,966,242	380,534	8,824,576	1646	82	2397	86
	May	120	7827	242,632	6,208,874	505,645	9,330,221	2084	33	(2363)Weighted Avg.	
	June	120	7747	232,395	6,441,269	484,311	9,814,532	2084	28		
	July	121	7864	243,793	6,685,062	508,065	10,322,597	2084	50		
	Aug.	118	8150	252,647	6,937,709	526,516	10,849,113	2084	65		
	Sept.	124	8453	253,580	7,191,289	528,461	11,377,574	2084	66		
	Oct.	126	8563	265,442	7,456,731	553,181	11,930,755	2084	58	2213	97
	Nov.	126	7852	235,567	7,692,298	490,922	12,421,677	2084	52	(2202)Weighted Avg.	
	Dec.	126	7740	239,948	7,932,246	500,052	12,921,729	2084			
Yearly Total				2,860,397		5,569,324					
1952	Jan.	126	7319	226,889	8,159,135	472,837	13,394,566	2084			
	Feb.	126	7795	226,043	8,385,178						
	Mar.	127	7873	244,062	8,629,240						
	Apr.	130	7582	227,468	8,856,708						
	May	130	4452	138,015	8,994,723					2166	88
	June										
	July										
	Aug.										
	Sept.										
	Oct.										
	Nov.										
	Dec.										
Yearly Total											

- 1 - EE Reported Production
- 2 - Calendar Days
- 3 - Weighted Ratios
- 4 - Dollarhide Engineering Committee Factual Data

FIELD NOTES

FIELD RULES
DOLLARHIRE DEVONIAN FIELD

RULE 1. (As amended by Order No. 8-18,517, effective June 12, 1950.)

No well for oil or gas shall hereafter be drilled for completion or completed at any point less than nine hundred thirty-three (933) feet from any other well drilling to or completed in the Devonian reservoir, and situated on the same lease, or less than five hundred fifty (550) feet from any lease line, property line, or subdivision line; provided however, that the Commission, in order to prevent waste or to prevent the confiscation of property, will grant exceptions to permit drilling within shorter distances than herein prescribed whenever the Commission shall have determined that such exceptions are necessary either to prevent waste or to prevent the confiscation of property. When an exception to this rule is desired, application therefor shall be filed and will be acted upon in accordance with the applicable provisions of Commission Statewide Rules 37 and 38, which applicable provisions of said rules are incorporated herein by reference.

In applying this rule the general order of the Commission relating to the subdivision of property shall be observed.

Discussion

(This rule is designed to give the operator certain leeway while developing the field on forty acre spacing. The operator is given a tolerance of 110' at the lease boundaries and 387' within the lease, compared to nominal 660' x 1320' spacing. There are four producing horizons in this field necessitating a minimum of two and possibly four wells in each forty acre tract. In addition, there exists in the Silurian pay zone an extensive cavern complicating the drilling of the leases. By exercising the 387' tolerance within the lease, the second well on a forty acre tract has been so located as to avoid this difficulty in several instances.)

... (1) ...

(b) ...

Apparatus

(Note: The apparatus is to be used in a ...

(b) The intermediate string shall consist of ...

This string shall be tested by either ...

string, and the pump pressure shall be applied to the fluid in the string for a minimum of two (2) hours. If after that period the fluid level shows a rise equivalent to two (2) per cent of the distance bailed then this string shall be condemned and repaired so as to exclude water. Thereafter, the casing shall again be tested in the same manner.

A test is made by the application of pump pressure the mud laden fluid in the hole shall be replaced with clear water and a pressure of at least twelve hundred (1200) pounds per square inch shall then be applied. If at the end of thirty (30) minutes this pressure shows a drop of one hundred (100) pounds per square inch, or more, then this string shall be condemned and repaired so as to exclude water. Thereafter the casing shall again be tested in the same manner.

Discussion

(The purpose of the intermediate string is to ease off from subsequent deeper drilling the salt section which is encountered between about 1200 feet and 2000 feet, and provide protection from possible blowouts or lost circulation in the Yates as drilling proceeds to greater depths. Were this string not employed, it would be necessary to carry saturated salt water mud to total depth, which would in all likelihood cause lost circulation in the various pay sections.)

(c) The producing or oil string shall consist of new or reconditioned pipe that has been tested to twenty-eight hundred (2800) pounds per square inch. Sufficient cement shall be used to fill the annular space back of the pipe to at least four thousand (4000) feet below the surface of the ground. Cementing shall be by the pump and plug method and cement shall be allowed to stand a minimum of twenty-four (24) hours before drilling the plug or initiating tests.

The string shall be tested by either application of pump pressure or lowering of the fluid level. If test is made by lowering the fluid level the wells shall be bailed dry or at least to a point midway to the bottom of the string and the

top of the casing. If the casing is found to be leaking, it shall be repaired or replaced within
of two (2) days. If the casing is found to be leaking, it shall be repaired or replaced within
to two (2) per cent of the distance. If the casing is found to be leaking, it shall be repaired
and repaired so as to exclude water. Thereafter, this string shall be tested in the same manner.

If this string is tested by the application of pump pressure, the fluid in the hole shall be replaced with clean water and a pressure of at least fifteen hundred (1500) pounds per square inch applied. If at the end of thirty (30) minutes the pressure shows a drop of one hundred and fifty (150) pounds per square inch, or more, then the string shall be repaired and repaired so as to exclude water. Thereafter, it shall again be tested in the same manner. The Christmas tree fittings and well head connections shall have a working pressure of two thousand (2000) pounds per square inch or a test pressure of (1500) pounds per square inch.

Discussion

(This rule provides for an oil string assembly designed to prevent mixing of fluids from different zones due to migration behind the casing. Whether oil migrates from one formation to another or salt water migrates into a producing formation, waste would result. This rule was promulgated to prevent such waste.)

RULE 3. (As amended by Order No. 536,517, effective June 12, 1950.)

The acreage assigned the individual oil well for the purpose of allocating allowable oil production thereto shall be known as a proration unit. No proration unit shall not contain more than forty (40) acres except as hereinafter provided, and the two points farthestmost removed one from the other and contained within any proration unit shall not be in excess of twenty one hundred (2100) feet apart; provided however, that in the case of long and narrow leases or in cases where because of the shape of a lease such is necessary to permit the utilization of tolerance acreage the Commission may, after proper showing, grant exceptions to the limitations as to the shape of the proration units herein contained. All proration units however, shall consist of acreage which can reasonably be considered to be productive of oil.

If after the drilling of the last well on any lease and the assignment of acreage to each well thereon in accordance with the regulations of the Commission there remains an additional unassigned lease acreage of less than forty (40) acres than and in such event the remaining unassigned lease acreage up to and including a total of twenty (20) acres may be assigned to the last well drilled on such lease or may be distributed between any group of wells on such lease or royalty subdivision thereof so long as the proration unit or units resulting from the inclusion of such additional acreage meets the limitations prescribed by the Commission.

Operators shall file certified plats of their properties in the field, which plats shall show all of those things pertinent to the determination of the acreage claimed for each well hereunder.

Discussion

(Forty acre allocation units were set up for the Devonian, Silurian and Ellenburger reservoirs. The Silurian and Ellenburger reservoirs early in their

producing lives showed excellent pressure communication indicating one well capable of draining forty acres. Early pressure history in the Devonian was erratic. Later, drilling showed this pay to be faulted accounting for early inconsistencies in pressure history. Also interference tests conducted by The Pure Oil Company showed communication in this pay indicating one well capable of draining forty acres.

Field rules have not been promulgated for the Glen Rose zone. Development has been on forty acre spacing.)

shall be the same as that which would be obtained if the same amount of water were distributed equally among all the wells in the field on the basis of the number of producing wells in the field on the date of the allocation.

(a) The daily average allowable for each well shall be the proportion of seventy-five (75%) per cent of the daily field allocation which is assigned to the well bears to the average assigned the remaining wells in the field.

(b) The daily per well allowable for each well shall be determined by dividing twenty-five (25%) per cent of the daily field allocation by the number of producing wells in the field.

(c) The total daily oil allowable for each well shall be the sum of the average and per well allowables.

Illustration

If the allowable production for each well is 100 barrels per day, and the total allowable is 100 barrels per day, then the total allowable for each well being treated in a 50 acre production unit and 25 barrels for the well. If the total allowable is 100 barrels per day, then the total allowable for each well is 25 barrels per day.

$$\frac{25}{100} \times 100 = 25$$

50 / 25 = 75 barrels per day

In this case, the total allowable is 100 barrels per day, and the total allowable for each well is 25 barrels per day.

This allocation is based on the assumption that the cost of production is the same for all wells in the field, and that the cost of production is the same for all wells in the field.

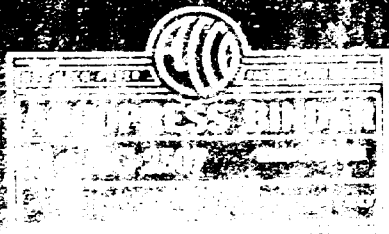
This rate of allocation is based on the assumption that the cost of production is the same for all wells in the field, and that the cost of production is the same for all wells in the field.

well. This is a simple and direct way of determining the number of barrels of water that can be pumped from the well. For example, if the water level in the well is 10 feet and the pump is 100 feet above the water level, the pump would have to lift the water 90 feet. If the pump is 100 feet above the water level, the pump would have to lift the water 90 feet. If the pump is 100 feet above the water level, the pump would have to lift the water 90 feet.

$$\frac{50}{10} = 5 \text{ ft. per sec.}$$

$$50 \div 25 = 2 \text{ barrels per day}$$

In this example, 2 barrels per day is allowed for the 50 feet and 25 barrels for the well.



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BINDER
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OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. MECHEM
CHAIRMAN
LAND COMMISSIONER GUY SHEPARD
MEMBER
STATE GEOLOGIST R. R. SPURRIER
SECRETARY AND DIRECTOR



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Editor
HOBBS NEWS-STAR
HOBBS, N. M.

Dear Sir:

Re: Notice(s) of Publication
Case 408 (Readvertised)

Please published the enclosed notices one time immediately on receipt of this request. Please proofread carefully and send a copy of the paper carrying such notices to this office.

Upon completion of publication, send publisher's affidavit in duplicate. For payment, please submit statement in duplicate, and sign and return the enclosed voucher. (Do not fill in.) We should have these immediately after publication in order that the legal notice will be on hand for the holding of the hearing which it advertises, and also so that there will be no delay in your receiving proper payment.

Please publish the notices not later than as soon as received, please.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. SPURRIER
Secretary - Director

Encl.

CLASS OF SERVICE
This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS
DL=Day Letter
NL=Night Letter
LT=Int'l Letter Telegram
VLT=Int'l Victory Ltr.

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

.LA63 DA393

D-AUA223 RX PD=AUSTIN TEX 4 1200P=

:DICK SPURRIER=

:STATE CAPITOL SANTA FE NMEX=

:DUE TO THE CRITICAL ILLNESS AND MOMENTARILY EXPECTED DEATH
OF MRS ERNEST THOMPSON WIFE OF GENERAL THOMPSON THE
HEARING SCHEDULED FOR MIDLAND OCTOBER 7 WILL BE POSTPONED
UNTIL OCTOBER 14 AT THE SAME HOUR AND PLACE THIS FOR YOUR
INFORMATION=(

DLIN CULBERSON CHAIRMAN RAILROAD COMMISSION OF
TEXAS=1

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

35014
12:00 PM
10-10-30
E. J. ...

New Mexico
OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. MECHEM
CHAIRMAN
LAND COMMISSIONER GUY SHEPARD
MEMBER
STATE GEOLOGIST R. R. SPURRIER
SECRETARY AND DIRECTOR



P. O. BOX 871
SANTA FE, NEW MEXICO

October 6 - 1952

Editor
THE NEW MEXICAN
Santa Fe, N. M.

Dear Sir:

Re: Notice(s) of Publication
Case 408 - Readvertised.

Please published the enclosed notices one time immediately on receipt of this request. Please proofread carefully and send a copy of the paper carrying such notices to this office.

Upon completion of publication, send publisher's affidavit in duplicate. For payment, please submit statement in duplicate, and sign and return the enclosed voucher. (Do not fill in.) We should have these immediately after publication in order that the legal notice will be on hand for the holding of the hearing which it advertises, and also so that there will be no delay in your receiving proper payment.

Please publish the notices not later than as soon as received.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. SPURRIER
Secretary - Director

Encl.

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

December 17, 1952

C
O
P
Y

Texas Railroad Commission
Tribune Building
Austin, Texas

Gentlemen:

The New Mexico Oil Conservation Commission extends to you an invitation to Santa Fe to discuss the promulgation of orders for the Dollarhide Pools.

I respectfully suggest that you come January 8th to the 14th, 1953, the 8th being preferable. Please advise.

We also take this opportunity to wish you all a Merry Christmas and a Happy New Year.

Sincerely yours,


R. R. Spurrier
Secretary / Director

RRS:lh

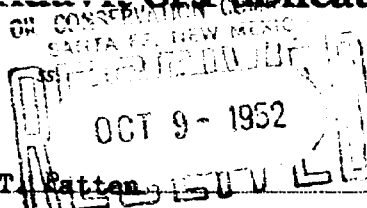
cc:

Governor Edwin L. Mechem
Mr. E. S. Walker

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
STATE OF NEW MEXICO TO:
All persons having any right, title,
interest or claim in the following case,
and notice to the public.
CASE 408 (Bendoverland)
Public notice is hereby given that a joint
meeting of the New Mexico Oil Conserva-
tion Commission and the Railroad Com-
mission of Texas will be held at 10
o'clock a.m. on October 22 1952, at the
City Hall in Midland, Texas, for the
purpose of considering production methods
and operation of allowances in oil and
gas pools embracing lands within the
state of Texas and New Mexico—namely,
the West Dolanville, West Dolanville-
Devonian, West Dolanville-Furnace man and
West Dolanville-Dolanville Pools, as de-
termined in New Mexico.
GIVEN under the seal of the Oil Con-
servation Commission of New Mexico at
Santa Fe, New Mexico, on this sixth day of
October, 1952.
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
R. R. SPURLOCK, Secretary.
(Seal)
Pub. Oct. 8, 1952.

Affidavit of Publication

State of New Mexico
County of Santa Fe



I, Charles T. Ratten, being first duly sworn,
declare and say that I am the (Business Manager) (~~Editor~~) of the New
Mexican, a daily newspaper, published in the English
Language, and having a general circulation in the City and County of Santa Fe, State of
New Mexico, and being a newspaper duly qualified to publish legal notices and adver-
tisements under the provisions of Chapter 167 of the Session Laws of 1937; that the
publication, a copy which is hereto attached, was published in said paper ~~on the 8th day of October, 1952~~
for one time ~~on the 8th day of October, 1952~~
the regular issue of the paper during the time of publication, and that the notice was
published in the newspaper proper, and not in any supplement, ~~on the 8th day of October, 1952~~ for
one time ~~on the 8th day of October, 1952~~ publication being on the
8th day of October, 1952; ~~on the 8th day of October, 1952~~
~~on the 8th day of October, 1952~~; that payment
for said advertisement has been (duly made), or (assessed as court costs); that the
undersigned has personal knowledge of the matters and things set forth in this affidavit.

PUBLISHER'S BILL

32 lines, one time at \$ 3.20

lines, times, \$

Tax \$

Total \$ 3.20

Received payment,

By _____

Subscribed and sworn to before me this 8th

day of October, A.D., 1952

Anna K. Ormsbee
Notary Public

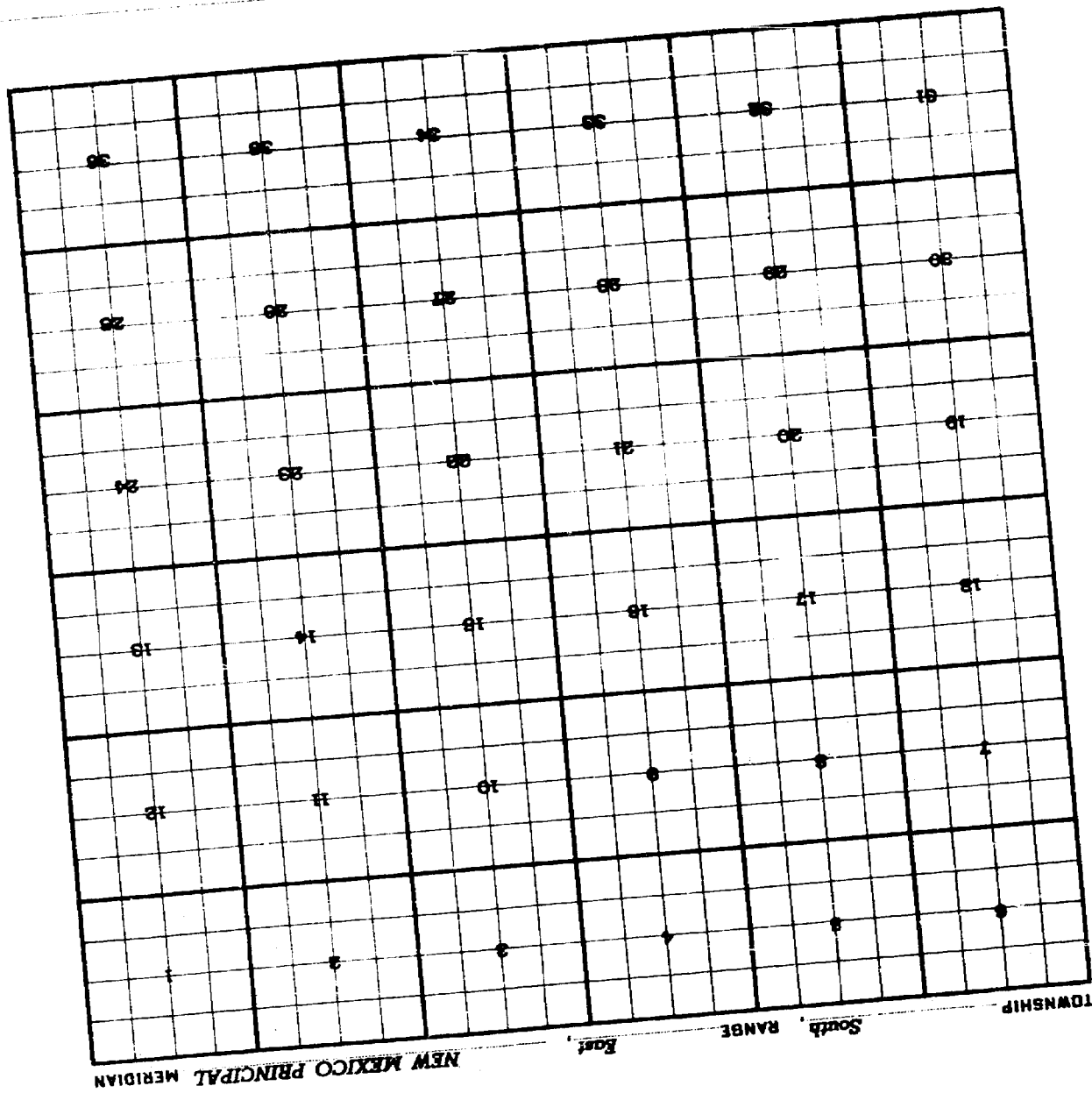
My Commission expires

June 11, 1953

			<u>45</u>
5000 - 6000 -	1.33	60	
6000 - 7000 -	1.77	80	
7000 - 8000 -	2.33	105	
8000 - 9000 -	3.00	135	
9000 - 10,000 -	3.77	170	
10,000 - 11,000 -	4.67	211	
11,000 - 12,000 -	5.67	256	
12,000 - 13,000 -	6.75	304	
13,000 - 14,000 -	8.00	360	

			N.m.	Tex.
9600	West Dollenhede (Ellenberger) -	4.67 -	211	<u>100</u>
6100	<u>Oriskany</u> (Chazy)	1.77 (70)	80	91
8150	Fusselman	3.00	135	<u>180</u>
7400	Denonian	3.00 (75)	135	100

County _____
Pool _____



RS

Railroad Commission of Texas

OIL AND GAS DIVISION



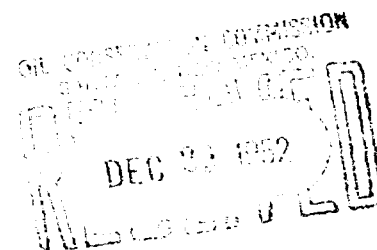
AUSTIN, TEXAS

December 22, 1952

COMMISSIONERS
OLIN CULBERSON
CHAIRMAN
ERNEST O. THOMPSON
WILLIAM J. MURRAY, JR.
O. D. HYNDMAN, SECRETARY

HARRY M. BATES
CHIEF SUPERVISOR
ARTHUR H. BARBECK
CHIEF ENGINEER
L. E. DAVIS
AUDITOR

Mr. R. R. Spurrier
Secretary - Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico



Dear Dick:

This is in reply to your letter of December 17, 1952, addressed to the Commission, in which your Commission extended invitation to Santa Fe to discuss the promulgation of orders for the Dollarhide Pools.

The Commission, at a conference this date, instructed me to advise you that Commissioners Ernest O. Thompson and Olin Culberson, together with Assistant Chief Engineer, George F. Singletary, Jr., will arrive in Santa Fe for the discussion on January 9, 1953 at 2:00 p.m. A conflict arose in regard to the January 8th date in that the Commissioners are to attend a meeting in Wichita Falls on that date; however, they find it convenient to proceed from that city to Santa Fe on January 9.

We in the Railroad Commission, wish for all of you, our friends in New Mexico, a joyous Christmas and a very Happy New Year.

Yours very truly,

Arthur H. Barbeck,
Chief Engineer

AHB:cbr

cc - General Ernest O. Thompson
Judge Olin Culberson
Mr. George F. Singletary, Jr.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

(This letter was received on December 29, 1952 from
the Railroad Commission of Texas)

Mr. R. R. Spurrer
Secretary - Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Sir:

This is in reply to your letter of December 17, 1952,
addressed to the Commission, in which your Commission
extended invitation to Santa Fe to discuss the pro-
mulgation of orders for the Dollarhide Pools.

The Commission, at a conference this date, instructed me
to advise you that Commissioners Ernest O. Thompson and
Olin Culberson, together with Assistant Chief Engineer,
George F. Singletary, Jr., will arrive in Santa Fe for
the discussion on January 9, 1953 at 2:00 p.m. A con-
flict arose in regard to the January 8th date in that
the Commissioners are to attend a meeting in Wichita
Falls on that date, however, they find it convenient to
proceed from that city to Santa Fe on January 9.

We in the Railroad Commission, wish for all of you, our
friends in New Mexico, a joyous Christmas and a very Happy
New Year.

Yours very truly,

Arthur H. Barbeck,
Chief Engineer

AHB:chr

cc - General Ernest O. Thompson
Judge Olin Culberson
Mr. George F. Singletary, Jr.

C
O
P
Y

New Mexico
OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. MECHAM
CHAIRMAN
LAND COMMISSIONER W. L. SHEPARD
MEMBER
STATE GEOLOGIST R. R. SPURRIER
SECRETARY AND DIRECTOR



P. O. BOX 871
SANTA FE, NEW MEXICO

September 19, 1952

Editor
THE NEW MEXICAN
SANTA FE N M

Dear Sir:

Re: Notice(s) of Publication
Case 408

Please published the enclosed notices one time immediately on receipt of this request. Please proofread carefully and send a copy of the paper carrying such notices to this office.

Upon completion of publication, send publisher's affidavit in duplicate. For payment, please submit statement in duplicate, and sign and return the enclosed voucher. (Do not fill in.) We should have these immediately after publication in order that the legal notice will be on hand for the holding of the hearing which it advertises, and also so that there will be no delay in your receiving proper payment.

Please publish the notices not later than Immediately on receipt.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. SPURRIER
Secretary - Director

Encl.

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
STATE OF NEW MEXICO TO:
All persons having any right, title,
interest or claim in the following land,
and notice to the public.
CASE 482:
Public notice is hereby given that a joint
meeting of the New Mexico Oil Conserva-
tion Commission and the Railroad Com-
mission of Texas will be held at 10 o'clock
a.m. October 7, 1952, at the Scharbauer
Hotel, Midland, Texas, for the purpose of
considering procedure methods and equali-
zation of allowances in oil and gas pools
embracing lands within the states of Texas
and New Mexico—namely: the West Dol-
larhide, West Dollarhide-Devonian, West
Dollarhide-Pennsylvanian and West Dol-
larhide-Devonian Pools, as designated in
New Mexico.
GIVEN under the seal of the Oil Con-
servation Commission of New Mexico on
the 19th day of September, 1952.
SECRETARY OF NEW MEXICO
OIL CONSERVATION COMMISSION
R. E. Spurrier, Secretary
(25-1)
Feb. Sept. 22, 1952.

Affidavit of Publication

State of New Mexico }
County of Santa Fe } ss.

SEP 21 1952

I, Charles T. Patton, being first duly sworn,
declare and say that I am the (Business Manager) (~~owner~~) of the New
Mexican, a daily newspaper, published in the English
Language, and having a general circulation in the City and County of Santa Fe, State of
New Mexico, and being a newspaper duly qualified to publish legal notices and adver-
tisements under the provisions of Chapter 167 of the Session Laws of 1937; that the
publication, a copy which is hereto attached, was published in said paper ~~each week~~
for one time ~~consecutive weeks~~, and on the same day of each week in
the regular issue of the paper during the time of publication, and that the notice was
published in the newspaper proper, and not in any supplement, ~~each week~~ for
one time ~~consecutive weeks~~, the publication being on the
23rd day of September, 1952, ~~at the time of publication~~
~~at the time of publication~~ ~~at the time of publication~~, that payment
for said advertisement has been (duly made), or (assessed as court costs); that the
undersigned has personal knowledge of the matters and things set forth in this affidavit.

PUBLISHER'S BILL

3 lines, one time at \$ 3.10
_____ lines, _____ times, \$ _____
Tax \$ _____
Total \$ 3.10

Received payment,

By _____

Charles T. Patton
Editor-Manager

Subscribed and sworn to before me this 23rd
day of September, A.D., 1952

Anna R. Arnsbee
Notary Public

My Commission expires

June 14, 1953

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE - NEW MEXICO

STATE OF NEW MEXICO TO:

All persons having any right,
title, interest or claim in
the following case, and notice
to the public.

CASE 405: (re-advertised)

Public notice is hereby given that a joint meeting of the New Mexico Oil Conservation Commission and the Railroad Commission of Texas will be held at 10 o'clock a.m. on October 23, 1952, at the City Hall in Midland, Texas, for the purpose of considering proration methods and equalization of allowables in oil and gas pools embracing lands within the states of Texas and New Mexico - namely, the West Dollarhide, West Dollarhide-Devonian, West Dollarhide-Fusselman and West Dollarhide-Driskard Pools, as denominated in New Mexico.

GIVEN under the seal of the Oil Conservation Commission of New Mexico at Santa Fe, New Mexico, on this sixth day of October 1952.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrer
R. R. SPURRER,
Secretary

S E A L

THE PURE OIL COMPANY

GENERAL OFFICES, 35 EAST WACKER DRIVE, CHICAGO.

TEXAS PRODUCING DIVISION

P. O. BOX 2107

FORT WORTH 1, TEXAS

December 29, 1952

*Put in
W.D. file
on T.R.C.
H. J.*

Mr. W. B. Macey
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Macey:

Attached, please find a copy of the Railroad Commission of Texas order setting forth gas-oil ratio surveys in District 8, in which the Dollarhide Fields are located. This is being forwarded in response to your request, and we wish to express our apologies in being very negligent in getting this particular information forwarded to you.

Yours very truly,

Jack T. Duree
Jack T. Duree

JTD:br
att.

New Mexico
OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. MECHEM
CHAIRMAN
LAND COMMISSIONER GUY SHEPARD
MEMBER
STATE GEOLOGIST R. R. SPURRIER
SECRETARY AND DIRECTOR



P. O. BOX 871
SANTA FE, NEW MEXICO

**N.M. and Texas
Reach Agreement
On Two Oil Zones**

SANTA FE, Jan. 9 (AP)—Texas and New Mexico today reached a settlement-setting agreement on production in two oil zones lying in the states.

Three members of the Texas Oil Conservation Commission and two members of the New Mexico Oil Conservation Commission clinched the agreement after months of study and at a previous joint meeting. The agreement covers the Clearfork and Devonian zones of the Permian basin, a wide pool. Clearfork is in Texas, and Lea County, New Mexico.

Spurrier, director of the New Mexico commission, said the two bodies agreed on the following terms:

The Clearfork-Drinkard zone will produce 135 barrels a day; for the Devonian zone, 100 barrels a day. These apportionments will be in effect Feb. 1.

New Mexico the allowable production for the Clearfork-Drinkard zone has been 91 barrels, in the Devonian 135 barrels. In Texas the Clearfork-Drinkard allowable has been 91, the Devonian allowable 100 barrels.

Although the figures are unchanged for Texas, the agreement actually represents a considerable increase in the Texas allowable for the two zones. Texas has been allowing production there only on the basis of 22 days a month; under the agreement production in the two zones in Texas will be on a basis of each day of the month.

**Reach Agreement
On Two Oil Zones**

Continued from Page One

been producing 2,200 barrels a month, its allowable now goes up to 3,100.

"The real advantage of this mutual agreement between the two states is that it will prevent drain-
Spurrier explained. "For instance, if New Mexico wells had been producing more than those in Texas there was the danger of drainage to the detriment of Texas wells. This should put production on an even basis."
He was impressed by the fact that the entire Texas commission thought this was important enough to warrant all the time being here to settle the question of settling state production to avert the possibility of federal government action.

"We feel that when the states can settle such problems it means the field has already been entered and is occupied and there is no excuse for the federal government to try to take over."

The Texas commissioners present were Olin Culberson, chairman; Gen. E. O. Thompson and William J. Murray and Asst. Chief Engineer George Singletary. Spurrier and Governor Mechem represented the OCC. The third member, Land Commissioner E. S. Walker, was busy with another meeting and could not attend.

The development, the first, marks a milestone in New Mexico's oil relations with her neighbor state. Texas, however, has had similar agreements with at least one state, Louisiana.

In Effect Feb. 1

The new orders are effective Feb. 1.

"Both commissions were emphatic in setting up the agreement," Spurrier said, "that it is not in any way, shape or form constituting a precedent for other

*From
Albuquerque
Journal*

1-10-53

Case 408

Memo

From
R. R. SPURRIER
Director

To Gov. McCombs

Please advise if the
date is satisfactory
to you and I will
answer (Barbeck)
Texas RR Comm
accordingly

RECEIVED
OFFICE OF THE GOVERNOR
SANTA FE, N. M.
DEC 29 1 58 PM '06

OIL CONSERVATION COMMISSION

P. O. Box 871

SANTA FE, NEW MEXICO

(This letter was received on December 29, 1952 from
the Railroad Commission of Texas)

RECEIVED
OFFICE OF THE GOVERNOR
SANTA FE, N.M.
Dec 29 1 54 PM '52

Mr. R. R. Spurrier
Secretary - Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Dick:

This is in reply to your letter of December 17, 1952,
addressed to the Commission, in which your Commission
extended invitation to Santa Fe to discuss the pro-
mulgation of orders for the Dollardide Pools.

The Commission, at a conference this date, instructed me
to advise you that Commissioners Ernest O. Thompson and
Olin Culberson, together with Assistant Chief Engineer,
George F. Singletary, Jr., will arrive in Santa Fe for
the discussion on January 9, 1953 at 2:00 p.m. A con-
flict arose in regard to the January 8th date in that
the Commissioners are to attend a meeting in Wichita
Falls on that date, however, they find it convenient to
proceed from that city to Santa Fe on January 9.

We in the Railroad Commission, wish for all of you, our
friends in New Mexico, a joyous Christmas and a very Happy
New Year.

Yours very truly,

Arthur H. Barbeck,
Chief Engineer

AHB:cbr

cc - General Ernest O. Thompson
Judge Olin Culberson
Mr. George F. Singletary, Jr.

For Dick Spurrier

*This date O.K. Have to be in
all day that evening.*

C
O
P
Y

CLASS OF SERVICE
 This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

1201

W. P. MARSHALL, PRESIDENT

SYMBOLS
DL=Day Letter
NL=Night Letter
LT=Int'l Letter Telegram
VLT=Int'l Victory Ltr.

=(44)

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

LA96 KA403

K=TUB386 PD=TULSA OKLA 18 405P=

=R R SPURRIER=

SEP 18 PM 4 18

=OIL CONSERVATION COMMISSION MABRY HALL SANTA FE NMEX=

PLEASE ADVISE DATE OF JOINT HEARING WITH TEXAS RAILROAD
COMMISSION AS SOON AS SET=

GEORGE W SELINGER SKELLY OIL CO=

Case 408

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.
SEP 18 1952
RECEIVED

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full rate telegram	
FULL RATE TELEGRAM	
DAY LETTER	NIGHT LETTER

WESTERN UNION

1206

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise this message will be sent at the full rate	
FULL RATE	LETTER TELEGRAM
VICTORY LETTER	SHIP RADIOGRAM

W. P. MARSHALL, PRESIDENT

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
			OIL CONSERVATION COMMISSION	

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Collect to

SEPTEMBER 19 1932

MR GEORGE SELINGER
SHELLY OIL COMPANY
TULSA OKLAHOMA

JOINT HEARING SET FOR 10 A.M. OCTOBER 7 SCHARRAUER HOTEL MIDLAND

DICK SPURDIE

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unreported message rate is charged in addition. Unless otherwise indicated on its face, this is an unreported message and paid for as such, in consideration whereof it is agreed between the sender of the message and this Company as follows:

1. The Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unreported-message rate beyond the sum of five hundred dollars, unless specifically valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.

2. In any event the Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeated-message rate is paid or agreed to be paid, and an additional charge equal to one-tenth of one percent of the amount by which such valuation shall exceed five thousand dollars.

3. The Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.

4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Company, the amount paid for the transmission of a domestic telegram or an incoming cable or radio message covers its delivery within the following limits: in cities or towns of 5,000 or more inhabitants where the Company has an office which, as shown by the filed tariffs of the Company, is not operated through the agency of a railroad company, within two miles of any open main or branch office of the Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Company does not undertake to make delivery, but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Company is located.

5. No responsibility attaches to this Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Company's messengers, he acts for that purpose as the agent of the sender.

6. The Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Company, (a) within sixty days after the message is filed with the Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas) or between a point in the United States on the one hand and a point in Alaska, Canada, Labrador, Mexico, Newfoundland and St. Pierre & Miquelon Islands on the other hand, or between a point in the United States and a ship at sea or in the air, (b) within 95 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of section 110 of the Communications Act of 1934.

7. It is agreed that in any action by the Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.

8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.

9. No employee of the Company is authorized to vary the foregoing.

1-44

CLASSES OF SERVICE

DOMESTIC SERVICES

FULL RATE TELEGRAM

A full rate expedited service.

DAY LETTER (DL)

A deferred service at lower than the full rate.

SERIAL (SER)

Message sent in sections during the same day.

NIGHT LETTER (NL)

Accepted up to 2 A. M. for delivery not earlier than the following morning at rates substantially lower than the full rate telegram or day letter rates.

INTERNATIONAL SERVICES

FULL RATE (FR)

The standard fast service at full rates. May be written in any language that can be expressed in Roman letters, or in secret language. A minimum charge for 5 words applies.

LETTER TELEGRAM (LT)

Overnight plain language messages. Minimum charge for 22 words applies.

VICTORY LETTER TELEGRAM (VLT)

Overnight plain language messages to armed forces overseas. Minimum charge for 10 words applies.

SHIP RADIOGRAM

A service to and from ships at sea. Plain or secret language may be used. Minimum charge for 5 words applies.

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS

DL = Day Letter
NL = Night Letter
LT = Int'l Letter Telegram
VLT = Int'l Victory Ltr.

(33) 56

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LA02 DA604

D: AUA608 PD=AUSTIN TEX 17 529P=

R R SPURRIER=

SEP 17 PM 4 56

=NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE NMEX=

HEARING SET AS PER YOUR REQUEST 10 AM BAKER HOTEL DALLAS
OCTOBER 10

ERNEST O THOMPSON RR COM=

*Hearing date Oct. 7th Seaboard
Hotel Midland*

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.

RECEIVED
SEP 18 1952

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE
This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

W. P. MARSHALL, PRESIDENT

SYMBOLS
DL=Day Letter
NL=Night Letter
LT=Int'l Letter Telegram
VLT=Int'l Victory Ltr.

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

LA69 DA383

D. AUB174 PD=AUSTIN TEX 18 322P=

R R SPURRIER, SECRETARY=

OIL CONSERVATION COM SANTA FE NMEX=

JOINT HEARING WITH NEW MEXICO OIL CONSERVATION COMMISSION
FOR DETERMINING EQUITABLE ALLOWABLES FOR THE DOLLARHIDE
FIELDS EXTENDING ACROSS THE TEXAS AND NEW MEXICO STATE
LINES HAS BEEN SCHEDULED BY THE TEXAS RAILROAD COMMISSION AT
TEN AM TUESDAY OCTOBER 7, 1952 IN THE SCARBAUER HOTEL IN
MIDLAND TEXAS=

HARRY M BATIS CHIEF SUPERVISOR OIL AND GAS DIV
RR COM OF TEX=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

OIL CONSERVATION COMMISSION
SANTA FE NEW MEXICO.
SEP 18 1952

Case 408

CLASS OF SERVICE
This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

W. P. MARSHALL, PRESIDENT

1220

SYMBOLS
DL=Day Letter
NL=Night Letter
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LA94 DB383

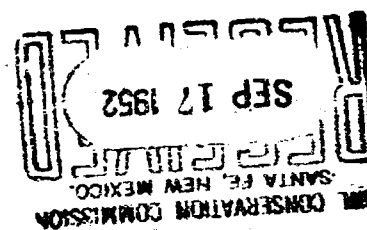
D. AUB201 LONG PD=AUSTIN TEX 16 504P=

R R SUPURRIER; SECY=

OIL CONSERVATION COMMISSION=SANTA FE NMEX=

AT YOUR SUGGESTION THE HEARING ON THE DOLLARHIDE FIELD WAS DIRECTED TO BE SET AT MIDLAND TEXAS ON OCTOBER 10. IT NOW DEVELOPS THAT COMMISSIONER THOMPSON HAS INSTRUCTED OUR PROATION DEPARTMENT TO SET IT AT THE BAKER HOTEL AT DALLAS ON OCTOBER 10. THIS IS THE DAY BEFORE THE TEXAS OKLAHOMA GAME AND IT WILL BE IMPOSSIBLE TO GET ANY PLACE IN DALLAS TO MEET. IF YOUR COMMISSION WANTS TO COME TO THE FOOTBALL GAME I FEEL THAT IT SHOULD DO SO WITHOUT USING THIS HEARING AS AN EXCUSE. EXCEPT AND UNLESS YOUR COMMISSION DESIRES IT TO BE HELD THERE INSTEAD OF IN MIDLAND I WILL NOT SIGN THE NOTICE SETTING IT THERE. PLEASE ADVISE BY WIRE AT ONCE=

OLIN CULBERSON; CHAIRMAN RAILROAD COMMISSION OF TEXAS:



Chas 408

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full rate telegram	
FULL RATE TELEGRAM	<input checked="" type="checkbox"/> SERIAL
DAY LETTER	NIGHT LETTER

WESTERN UNION

1206

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise this message will be sent at the full rate	
FULL RATE	DEFERRED
CODE	NIGHT LETTER

W. P. MARSHALL, PRESIDENT

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
		Paid	Oil Conservation Commission	

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Sept. 17-1952

Olin Culberson
Texas Railroad Commission
Austin, Texas

Agreeable New Mexico Oil Conservation Commission to meet in Midland for hearing on Dollarhide Pool week of October 6th. Prefer 7th or 8th. Have no interest in Texas football.

lh: cc: Gen. E. O. Thompson
Wm. J. Murray, Jr.

New Mexico Oil Conservation Comm.
By: R. R. Spurrier
Secretary - Director

Case 408

RE: CASE 408

Albuquerque Journal October 25 1952

N. M., Texas to Adjust Border Oil Allowables, Official Says

From The Journal
Santa Fe Bureau

Santa Fe, Oct. 24. — An official of the Oil Conservation Commission said here today that Texas and New Mexico conservation officials will "definitely adjust allowables" in oil pools lying under the state line.

Returning from a meeting of the two commissions at El Paso, Tex., Chief Engineer Bill Macey said the adjustment would be on two of the four levels of the fast-developing Dolanville field. There is some doubt, he said, as to whether two other levels extend across the state barrier.

Those that do lie under both states are the Drinkard and the Devonian zones.

Macey said it was the consensus of the recommendations made to

the commissions that Texas change its restrictions to meet those now in force in New Mexico. At present New Mexico allows production of 88 barrels per day in the Drinkard level and 135 in the Devonian.

Texas regulation calls for 91 barrels in one and 100 in the other — but production is restricted to 23 days per month while New Mexico producers can work full time.

Macey said the two Commissions would meet in Santa Fe after the transcript of yesterday's meeting has been completed to decide just what regulations to adopt. The commissions have long felt that uniform regulations should be in effect to protect producers on both sides of a state line.

WRM

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

OIL AND GAS DOCKET NO. 126

#8 - 24,494

IN RE: CONSERVATION AND PREVENTION OF
WASTE OF CRUDE PETROLEUM AND
NATURAL GAS IN THE DOLLARHIDE
CLEARFORK, DOLLARHIDE DEVONIAN,
DOLLARHIDE ELLENBERGER, AND
DOLLARHIDE SILURIAN FIELDS,
ANDREWS COUNTY, T E X A S

Austin, Texas
September 18, 1952

NOTICE OF HEARING
PERTAINING TO A DETERMINATION OF EQUITABLE ALLOWABLES
FOR THE DOLLARHIDE CLEARFORK, DOLLARHIDE DEVONIAN, DOLLARHIDE ELLENBERGER
AND DOLLARHIDE SILURIAN FIELDS, AND THE ADOPTION OF FIELD RULES
FOR THE DOLLARHIDE CLEARFORK FIELD
ANDREWS COUNTY, TEXAS

NOTICE IS HEREBY GIVEN To the public and all interested persons that the Railroad Commission of Texas, on its own motion, will hold a Hearing, in conjunction with the Oil Conservation Commission of New Mexico, at ten a.m., TUESDAY, OCTOBER 7, 1952, in the Scharbauer Hotel in Midland, Texas, for the purpose of adjusting allowables for the Dollarhide Clearfork, Dollarhide Devonian, Dollarhide Ellenberger, and Dollarhide Silurian Fields, all located in Andrews County, Texas, and for the further purpose of adopting field rules for the Dollarhide Clearfork Field in order to bring about the most efficient rate of production from these reservoirs.

Since these Dollarhide reservoirs extend across the state lines and inequities in field allowables exist as a result of differences in the methods of their determination in the two states, a previous joint meeting was held in Santa Fe, New Mexico, by the Railroad Commission of Texas and the Oil Conservation Commission of New Mexico for the purpose of discussing the problem of inequities in withdrawals from the Dollarhide reservoirs in the two states; and as a result of that meeting and because of the progress in the development of the fields, this Hearing is called, and is to be heard jointly with a similar Hearing to be called by the Oil Conservation Commission of New Mexico for the purpose of determining what allowables are necessary to bring about an equity in the withdrawals of oil from the Dollarhide Clearfork, Dollarhide Devonian, Dollarhide Ellenberger, and Dollarhide Silurian reservoirs extending across the state lines of Texas and New Mexico.

PURSUANT To said Hearing, the Commission will enter such rules, regulations, and orders as in its judgment may be necessary as a result of the findings of the two regulatory bodies.

RAILROAD COMMISSION OF TEXAS

Olin Culberson, Chairman

Ernest O. Thompson, Commissioner

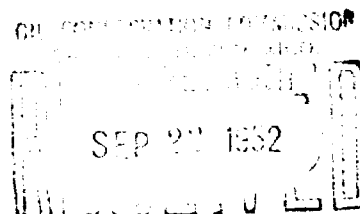
W. J. Murray, Jr., Commissioner

(SEAL)

ATTEST:

O. D. Hyndman, Secretary

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION



OIL AND GAS DOCKET NO. 126

#8 - 24,494

IN RE: CONSERVATION AND PREVENTION OF
WASTE OF CRUDE PETROLEUM AND
NATURAL GAS IN THE DOLLARHIDE
CLEARFORK, DOLLARHIDE DEVONIAN,
DOLLARHIDE ELLENBERGER, AND
DOLLARHIDE SILURIAN FIELDS,
ANDREWS COUNTY, T E X A S

Austin, Texas
September 18, 1952

NOTICE OF HEARING
PERTAINING TO A DETERMINATION OF EQUITABLE ALLOWABLES
FOR THE DOLLARHIDE CLEARFORK, DOLLARHIDE DEVONIAN, DOLLARHIDE ELLENBERGER
AND DOLLARHIDE SILURIAN FIELDS, AND THE ADOPTION OF FIELD RULES
FOR THE DOLLARHIDE CLEARFORK FIELD
ANDREWS COUNTY, TEXAS

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PURSUANT To said Hearing, the Commission will enter such rules, regulations, and orders as in its judgment may be necessary as a result of the findings of the two regulatory bodies.

RAILROAD COMMISSION OF TEXAS

Olin Culberson, Chairman

Ernest O. Thompson, Commissioner

W. J. Murray, Jr., Commissioner

(SEAL)

ATTEST:

O. D. Hyndman, Secretary

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea

Robert L. Summers
Publisher

Of the Hobbs Daily News-Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not in a supplement thereof for a period of —

2 weeks.

beginning with the issue dated —

September 22, 1952 ✓

and ending with the issue dated —

September 22, 1952 ✓

Publisher.

Robert L. Summers
Sworn and subscribed to before

me this *22* day of —

September, 1952 ✓

Notary Public.

Betty Deal
My commission expires —

January 25, 1953

(Seal)

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

LEGAL NOTICE

September 22, 1952

NOTICE OF PUBLICATION

State of New Mexico
Oil Conservation Commission
Santa Fe, New Mexico.
STATE OF NEW MEXICO
TO:

All persons having any right, title, interest or claim in the following case, and notice to the public.

CASE 400:

Public notice is hereby given that a joint meeting of the New Mexico Oil Conservation Commission and the Railroad Commission of Texas will be held at 10 o'clock a. m. October 7, 1952, at the Scharbauer Hotel, Midland, Texas, for the purpose of considering proration methods and equalization of allowances in oil and gas pools embracing lands within the states of Texas and New Mexico—namely: the West Dollarhide, West Dollarhide-Devonian, West Dollarhide-Fusselman and West Dollarhide-Drinkard Pools, as denominated in New Mexico.

GIVEN under the seal of the Oil Conservation Commission of New Mexico on this 19th day of September, 1952.

State of New Mexico
Oil Conservation Commission
R. R. Spurrier,
Secretary.

(SEAL)

New Mexico
OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. MECHEM
CHAIRMAN
LAND COMMISSIONER GUY SHEPARD
MEMBER
STATE GEOLOGIST R. R. SPURRIER
SECRETARY AND DIRECTOR



P. O. BOX 871
SANTA FE, NEW MEXICO

September 19 1952

Editor
ROBBE NEWS-SUN
ROBBE NEW MEXICO

Dear Sir:

Re: Notice(s) of Publication
Case 408

Please published the enclosed notices one time immediately on receipt of this request. Please proofread carefully and send a copy of the paper carrying such notices to this office.

Upon completion of publication, send publisher's affidavit in duplicate. For payment, please submit statement in duplicate, and sign and return the enclosed voucher. (Do not fill in.) We should have these immediately after publication in order that the legal notice will be on hand for the holding of the hearing which it advertises, and also so that there will be no delay in your receiving proper payment.

Please publish the notices not later than Immediately on receipt

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. SPURRIER
Secretary - Director

Encl.

[Illegible text block, likely a header or introductory paragraph]

[Illegible text block, likely a list of names or a detailed report]

[Illegible text block, likely a concluding paragraph or signature area]

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

June 2, 1953

C
O
P
Y

Mr. George F. Singletary, Jr.
Railroad Commission of Texas
Oil and Gas Division
Tribune Building
Austin, Texas

Dear Sir:

Mr. Macey was not sure that copies of the attached orders had been sent to your office as to decisions on the Dollarhide Pools concerning which joint hearings were held by this Commission and the Railroad Commission of Texas. We therefore enclose for your information Orders R-265, R-265-A, and a current allowable order.

It might also be noted that a case is now under advisement whereby pool names are being changed as follows:

West Dollarhide to Dollarhide-Kilenburger;
West Dollarhide-Devonian to Dollarhide-Devonian;
West Dollarhide-Drinkard to Dollarhide-Drinkard;
West Dollarhide-Fusselman to Dollarhide-Fusselman;
West Dollarhide-Queen to Dollarhide-Queen.

Very truly yours,

WR
For W. B. Macey
Chief Engineer

AMERADA PETROLEUM CORPORATION
TULSA, OKLAHOMA

Case 401 RS

WESTERN UNION TELEGRAM

URGENT

CLASS OF SERVICE **Straight**

DATE **October 23, 1952** TIME **9:50 A. M.**

TO **R. E. Spurrer, Secretary
New Mexico Oil Conservation Commission
A Subgroup Commission of Texas Holding
Council Chamber of the City Hall
Midland, Texas**

URGE STATE LINE POOLS ACCEPT PRESENT NEW MEXICO METHOD
OF DETERMINING ALLOWANCES RELATING TO OIL PRODUCTION WITH PROTECT
CORRELATIVE RIGHTS AND WILL NOT RESULT IN PHYSICAL WASTE.

AMERADA PETROLEUM CORPORATION
J. E. LOW

CONFIRMATION

CHARGE—AMERADA PETROLEUM CORPORATION

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
OCT 27 1952
RECEIVED

"SEND SUBJECT TO RULES AND REGULATIONS ON THE BACK OF YOUR TELEGRAPH BLANK"

Railroad Commission of Texas

OIL AND GAS DIVISION



AUSTIN, TEXAS

October 27, 1952

COMMISSIONERS
OLIN CULBERSON
CHAIRMAN
ERNEST O. THOMPSON
WILLIAM J. MURRAY, JR.
O. D. HYNDMAN, SECRETARY

HARRY M. BATIS
CHIEF SUPERVISOR
ARTHUR H. BARBECK
CHIEF ENGINEER
L. E. DAVIS
AUDITOR

Mr. R. R. Spurrier
Secretary & Director
New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Dear Mr. Spurrier:

I am enclosing copy of the transcript covering hearing held in Midland on October 23, 1952 on the Dollarhide Clearfork, Devonian, Ellenberger, and Silurian Fields, Andrews County, Texas.

Yours very truly,

George F. Singletary, Jr.
George F. Singletary, Jr.,
Assistant Chief Engineer

GFS:cbr
ENC.

The L. & N. Railway



REGISTER

JOINT MEETING OF THE NEW MEXICO OIL CONSERVATION COMMISSION WITH THE RAILROAD COMMISSION OF TEXAS IN MIDLAND, TEXAS, OCTOBER 23, 1952.

<u>NAME</u>	<u>COMPANY</u>	<u>ADDRESS</u>
White, L. C.	Oil Conservation Commission	Santa Fe, New Mexico
Thompson, Raybourne	Pure Oil Company	Houston, Texas
Duree, Jack T.	Pure Oil Company	Fort Worth, Texas
Keener, M.	Pure Oil Company	Fort Worth, Texas
Herbert, L.	Pure Oil Company	Fort Worth, Texas
Britton, Stanley G.	Pure Oil Company	Midland, Texas
Shaver, Charles E.	Humble Oil & Rfg. Co.	Midland, Texas
Hubbard, W. E.	Humble Oil & Rfg. Co.	Houston, Texas
Porter, A. L. Jr.	Oil Conservation Commission	Hobbs, New Mexico
Ford, Ollie J., Jr.	Magnolia Petroleum Co.	Kermit, Texas
Thurman, Earl G., Jr.	Magnolia Petroleum Co.	Kermit, Texas
Keeler, E. P.	Magnolia Petroleum Co.	Dallas, Texas
Hirschfield, G. H.	N. M. Oil & Gas Engr. Comm.	Hobbs, New Mexico
Massey, H. E.	Cities Prod. Corp. & Cities Service	Hobbs, New Mexico
Bates, W. E.	The Texas Company	Midland, Texas
Mills, John	The Texas Company	Midland, Texas
Ray, C. J., Jr.	The Texas Company	Fort Worth, Texas
Gordon, R. V.	Amerada Petroleum Corp.	Midland, Texas
Blackwood, J. C.	Amerada Petroleum Corp.	Midland, Texas
House, J. W.	Humble Oil & Rfg. Co.	Midland, Texas
Dewey, R. S.	Humble Oil & Rfg. Co.	Midland, Texas
Ponder, J. L.	Humble Oil & Rfg. Co.	Midland, Texas
Hamilton, W. B.	Phillips Petroleum Co.	Midland, Texas
Loveless, Charles C., Jr.	N. M. Oil & Gas Assn.	Roswell, New Mexico
Bedford, C. F.	Stanolind Oil & Gas Company	Fort Worth, Texas
West, T. M.	Moore Expl. Company	Midland, Texas
Winton, J. C.	Gulf Oil Corporation	Midland, Texas
Walker, J. D.	Gulf Oil Corporation	Fort Worth, Texas
Upchurch, Claude E.	Gulf Oil Corporation	Fort Worth, Texas
Newsom, Y. B.	Gulf Oil Corporation	Roswell, New Mexico
Straughan, H. L., Jr.	Gulf Oil Corporation	Roswell, New Mexico
Falcon, F.	Shell Oil Company	Hobbs, New Mexico
Main, M. K.	Shell Oil Company	Midland, Texas
Leonard, R. J.	Leonard Oil Company	Roswell, New Mexico
Elliott, F. O.	Independent Operator	Roswell, New Mexico
Kennedy, Joseph, D.	J. C. Maxwell	Fort Worth, Texas
Haynie, Robert B.	J. C. Maxwell	Midland, Texas
Kaderli, H. H.	Skelly Oil Company	Midland, Texas
Selinger, George	Skelly Oil Company	Tulsa, Oklahoma
Ehlers, Allen	Skelly Oil Company	Midland, Texas
Cooper, J. D.	Skelly Oil Company	Tulsa, Oklahoma
Chapman, J. C.	Skelly Oil Company	Monahans, Texas
Swain, H. W.	Continental Oil Company	Midland, Texas
Clarke, Alex Jr.	Stanolind Oil & Gas Company	Fort Worth, Texas
Smith, James K.	Stanolind Oil & Gas Company	Fort Worth, Texas
Blankenship, W. A. Jr.	Stanolind Oil & Gas Company	Roswell, New Mexico

lh

cc:

General E. O. Thompson

Mr. Geo. Singletary

Midland, Texas

10/23/52

Register

Name -	Company	Address
L. P. Duff	Pure Oil Co.	Houston
W. B. Duff	"	Houston
Jack Duff	"	Houston
M. Herbert / L. Keener	"	Midland, Tex.
Stanley G. Britton	"	Midland, Tex.
Charles E. SHAVER	Humble Oil Co.	Midland, Tex.
W. G. Hubbard	"	Houston
W. L. Parton, Jr.	Oil Conservation Com.	Hobbs, N.M.
Geoff. Ford, Jr.	Magnolia Pet. Co.	Kermit, Tex.
Earl S. Thurman Jr.	Magnolia Pet. Co.	Kermit, Tex.
E. P. Keeler	"	Dallas, Tex.
J. H. Hirschfeld	N.M. Oil & Gas Eng. Comm.	Hobbs, N.M.
H. E. Massey	Citrus Prod. Corp. + Citrus Service	Hobbs, New Mex.
W. B. Bates	The Texas Co.	Midland, Tex.
John Mills	"	"
C. J. RAY, JR.	"	Ft. Worth, Tex.
R. V. Gordon	Amerasia	Midland
J. C. Blackwood	"	"
L. W. House	Humble Oil	Midland
J. S. Denny	"	"
J. L. Paden	"	"
J. C. Duff	"	"
Charles C. Lovell	Kernex Oil & Gas	Roswell
C. F. Bedford	Stanolind Oil & Gas Company	Fort Worth, Tex.
T. M. West	Moore Ex. Co.	Midland
J. C. Hunter	Gulf Oil Corp.	"
J. D. WALKER	Gulf Oil Corp.	FT. WORTH
Charles E. Spach	Gulf Oil Corp.	"
J. B. Newson	Gulf Oil Corp.	Roswell
J. L. Stroughton, Jr.	Shell Oil Company	Roswell
J. Falcon	Shell Oil Company	Hobbs N.M.
M. K. Martin	Shell Oil Company	Hobbs N.M.
R. Leonard	Shell Oil Company	Hobbs N.M.
J. D. Elliott	Independent Operator	Roswell, N.M.

Name	Company	Address
Genl. S. Kennedy	of Missouri	St. Louis, Mo.
Robert B. Haylie	of Missouri	Kilbuck, Texas.
H. H. Kadenji	Skelly & Co.	Midland, Texas
Henry Delinger	Skelly	Midland, Texas
Alan Elton	Skelly & Co.	Midland, Texas
J. D. Cooper	Skelly	Midland, Texas
J. C. Chapmen	Skelly	Midland, Texas
H. W. Frazier	Skelly	Midland, Texas
Alex Clarke, Jr.	Stanolind	Ft. Worth
James K. Smith	Stanolind	Ft. Worth, Texas
H. A. Blankenship, Jr.	Stanolind	Roswell, N. M.

Memo

From

R. R. SPURRIER
Director

To

This order backdated
because it was
made 1 month
Schedule. Please
affix signature
S. R. M.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF CONSERVATION
AND PREVENTION OF WASTE OF
CRUDE PETROLEUM OIL AND NATURAL
GAS IN THE WEST DOLLARHIDE-DRINKARD,
WEST DOLLARHIDE-DEVONIAN, WEST
DOLLARHIDE-FUSSELMAN AND WEST
DOLLARHIDE-ELLENBURGER POOLS IN
LEA COUNTY, NEW MEXICO.

CASE NO. 408
ORDER No. R-265

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on regularly for hearing at 9 o'clock a.m. on February 17, 1953 at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 27th day of February, 1953, the Commission, a quorum being present, having considered the records introduced and the testimony adduced and being fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of the case.

(2) That the principles of conservation and prevention of waste will be advanced by identical production allowables for pools known to be common to New Mexico and Texas.

(3) That the production allowable for the West Dollarhide-Drinkard Pool within New Mexico should be set at 91 barrels of oil per day to coincide with a similar daily allowable fixed by the Texas authorities for that part of said pool lying in Texas.

(4) That the production allowable for the West Dollarhide-Devonian Pool within New Mexico should be set at 100 barrels of oil per day to coincide with a similar daily allowable fixed by the Texas authorities for that part of said pool lying within Texas.

(5) By reason of lack of reservoir statistics relating to the West Dollarhide-Fusselman Pool, and the West Dollarhide-Ellenburger Pool, within New Mexico, no change in existing allowables in said pools should be undertaken at this time;

PROVIDED HOWEVER That for said pools in this paragraph mentioned, bottom-hole pressure tests should be required to be taken in the months of February and March of each year.

IT IS THEREFORE ORDERED:

(1) That the production allowable for the West Dollarhide-Drinkard Pool within New Mexico be and the same hereby is fixed at 91 barrels of oil per day beginning at 7:00 o'clock a.m. M.S.T. March 1, 1953 and continuing until further orders.

(2) That the production allowable for the West Dollarhide-Devonian Pool within New Mexico be, and the same hereby is fixed at 100 barrels of oil per day beginning at 7:00 o'clock a.m. M.S.T. March 1, 1953, and continuing until further orders.

(3) That for the West Dollarhide-Fusselman and West Dollarhide-Ellenburger Pools in New Mexico bottom-hole pressure tests of all wells in each pool, be and the same hereby are required to be taken during the months of February and March of each year beginning 1953, and the results immediately furnished to the Commission for such action as may be proper.


IT IS FURTHER ORDERED: That jurisdiction of this case be, and it hereby is retained for the purpose of adjusting daily allowables, in cooperation with Texas authorities for the prevention of waste of oil or gas and the protection of correlative rights.

DONE at Santa Fe, New Mexico, the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


R. R. SPURRIER, Secretary

S E A L

RESERVOIR	NEW MEXICO			.	TEXAS		
	NO. OF WELLS	TOP PER WELL ALLOWABLE	TOTAL ALLOWABLE		NO. OF WELLS	TOP PER WELL ALLOWABLE	TOTAL ALLOWABLE
Clarksburg (Drinking)	1	80	80	.	85	91	7681
Devonian	4	135	525	.	134	100	10271
Kilbuck	5	211	1055	.	44	100	4004
Silurian (Paseo)	3	135	405	.	99	180	8630
				.			
				.			
				.			
				.			

Case 408

January 8, 1953

MEMORANDUM TO THE COMMISSION:

Commission-called hearing pertaining to the Dollardside Clearfork, Dollardside Devonian, Dollardside Kilenberger and Dollardside Silurian Fields, Andrews County, Texas

HEARING -

October 23, 1952

APPEARANCES -

See transcript

This was a joint hearing held by the Texas Railroad Commission and the Oil Conservation Commission of New Mexico for the purpose of adjusting allowances for the above-named fields, all located in Andrews County, Texas and for the further purpose of adopting field rules for the Dollardside Clearfork in order to bring about the Most Efficient Rate of production from these reservoirs.

Testimony introduced by various operators concerned indicates that the Dollardside Clearfork and Dollardside Devonian fields produce from the respective reservoirs, which are common across State lines in Andrews County, Texas and Lea County, New Mexico. Information submitted by the same operators indicates that the Kilenberger reservoir and the Silurian reservoir are separated between states by a saddle containing water.

Reservoir information on the Clearfork is as follows: average porosity, 10.4%; average permeability, 9.2 md.; average interstitial water saturation, 18.35%; original water-oil content, -37%'; dip of the producing zone, approximately 300' per mile in the south end of the reservoir; estimated saturation pressure, 2190 psi at 3400'; formation volume factor at the saturation pressure, 1.408; original reservoir pressure, 2889 psi at -3400'; present reservoir pressure, 1836 psi at -3400'. The Dollardside Clearfork structure is anti-clinal with a major axis running north and south and the reservoir produces from approximately 6200' to 7800' from Dolomite and Lino contents from fissured and some vugular porosity. Porosity development is heterogeneous with poor correlation of individual porosity streak between adjacent wells. The occurrence of porosity does not necessarily follow the streak, therefore, the success of an individual well depends largely on whether the well penetrates porous and permeability zones. Production history to date is typical of solution-gas drive reservoirs.

Physical properties of the Devonian reservoir are as follows: average porosity, 12.7%; average permeability, 39.7%; average water saturation, 19.9%; original water-oil content, -5300'; dip of the producing zone, 750' per mile to the west; saturation pressure, 2775 psi at -4600'; estimated original reservoir pressure, 3233 psi at -4600'; present reservoir pressure, 2166 psi at -4600'; formation volume factor at saturation pressure, 1.675; formation volume factor at present reservoir pressure, 1.56; dissolved gas-oil ratio, 1190 at the original pressure

and the saturation pressure; the present reservoir pressure dissolved gas-oil ratio, 930. The Dollartide Devonian structure is a north-south faulted anticline defined by a major north-south fault to the east and by the formations dipping into the water-oil contact on the west. Poor communication across the southernmost of the fault is evidenced by bottom-hole pressures in the south end of the field being consistently lower than those in the field north of the fault. Production is from a fractured dolomite and weathered chert of the Devonian age. Only difficulty is with wells located high on structures which are high gas-oil ratio wells. This, however, is to be expected in a solution-gas drive field having good gravity segregation.

No reservoir information was submitted on either the Ellenberger or Silurian reservoirs.

It is recommended that:

1. The Clearfork and Devonian Fields be exempted from shutdown days.
2. The allowable for the Clearfork be established at 91 barrels per day.
3. The Devonian allowable be established at 100 barrels of oil per day.
4. The field rules now in effect for the reservoirs other than the Clearfork be adopted by the Clearfork Reservoir, which are as follows:
 - a. Spacing, 550' from property line and 933' between wells drilled to the same horizon.
 - b. Surface casing set 20' below top of the red beds and cementing to the surface; intermediate string set 100' into the white lime underlying the Yates.
 - c. Original units of 40 acres.
 - d. Allocation based 75% on acreage and 25% per well.

Since no up-to-date reservoir performance was submitted on the Ellenberger and Silurian, it is difficult to recommend a MER for these two reservoirs, however, apparently both reservoirs have a water-drive and both reservoirs produce in both New Mexico and Texas with a water table between. In New Mexico the allowable for Ellenberger wells is 211 barrels per day, while in Texas it is 100 barrels per day. In New Mexico the allowable for Silurian wells is 135 barrels per day and in Texas it is 180 barrels per day. In the opinion of the writer, the allowables for these two fields should be more nearly equal in Texas and New Mexico and should be so set after discussion with representatives of the New Mexico Commission.

Respectfully submitted,

George F. Singletary, Jr.,
Assistant Chief Engineer

GFS:chr

RECOMMENDATION APPROVED:

RECOMMENDATION REJECTED:

_____	CHIEF ENGINEER	_____
_____	CHAIRMAN	_____
_____	COMMISSIONER	_____
_____	COMMISSIONER	_____

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

TRANSCRIPT OF HEARING

CASE NO. 408

February 17, 1953

E. E. GREESON
ADA DEARNLEY
COURT REPORTERS
BOX 1302
PHONES 5-9422 AND 5-7546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

February 17, 1953

In the Matter of:

(Readvertised) This case, originally heard in joint session with the Railroad Commission of Texas, concerns consideration of proration methods and equalization of allowances in oil and gas pools underlying Texas and New Mexico. In this state, these are the West Dollarhide, the West Dollarhide-Devonian, West Dollarhide-Fusselman and West Dollarhide-Drinkard.

No. 408

TRANSCRIPT OF HEARING

(Notice of Publication read by MR. GRAHAM)

W I L L I A M B. M A C E Y

HAVING BEEN FIRST DULY SWORN, testified as follows:

DIRECT EXAMINATION

By MR. GRAHAM:

Q State your name and position, please.

A William B. Macy.

Q Your position?

A Chief Engineer for the New Mexico Oil Conservation Commission.

Q Mr. Macy, in your capacity as Chief Engineer, you have attended the several joint meetings of the New Mexico Oil Conservation Commission and the Texas Commission with reference to

the West Dollarhide situation?

A Yes, sir, I have.

Q What is that document, please?

A This document is a transcript of the testimony given at the joint hearing held in Midland, Texas on October 23, relative to the Dollarhide and West Dollarhide pools, four producing zones in each one of those pools, in these two sets of pools in Texas and New Mexico.

Q These documents --

A (Interrupting) These are the Exhibits that were entered into at that hearing.

Q You have, in your capacity as Chief Engineer, reviewed the testimony and the record in that matter?

A I have.

Q Will you state for the record your recommendations in the situation?

A I recommend that the allowable production in the West Dollarhide Drinkard Pool be set at 91 barrels of oil per day, and the allowable in the West Dollarhide Devonian Pool be fixed at 100 barrels per day. This is in accordance with the allowables as established by the Texas Railroad Commission for the pool area in Texas. With reference to the West Dollarhide Fusselman and West Dollarhide Ellenburger Zones, there is a possibility that we might require further information on the reservoir concerned, and I recommend that bottom hole pressure tests be taken in the month of February and August of each year for the Fusselman and the Ellenburger Zones.

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9643 AND 5-9546
ALBUQUERQUE, NEW MEXICO

Q You have attended the executive meetings of the Commission with the Texas Railroad Commission in the Governor's office recently?

A Yes, sir, I did.

Q You are familiar with the suggested order and the order now in effect, evidently in Texas?

A Yes, sir, I am.

MR. GRAHAM: No further questions.

MR. SPURRIER: Any questions of the witness? Is there any objection to the introduction of this testimony as taken in Midland? If not the witness may be excused and without objection the exhibits will be accepted. Is there any other comment in this case? If not, we will take the case under advisement and move on to case 426.

STATE OF NEW MEXICO }
COUNTY OF BERNALILLO } ss.

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in case No. 408, before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on February 17, 1953, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico this 24th day of February, 1953.


REPORTER

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

E. E. GREESON
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ALBUQUERQUE, NEW MEXICO

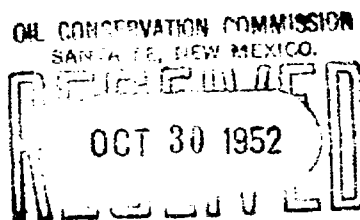
THE RAILROAD COMMISSION OF TEXAS

Hearing Held in Midland, Texas

DOLLARHIDE CLEARFORK, DEVONIAN,
ELLENBERGER, AND SILURIAN FIELDS

October 23, 1952

TRANSCRIPT OF TESTIMONY



H. Ray Pardue
Official Reporter.

RAILROAD COMMISSION OF TEXAS

OIL AND GAS DIVISION

OIL AND GAS DOCKET NO. 126

#8 - 24,657

IN RE: CONSERVATION AND PREVENTION
OF WASTE OF CRUDE PETROLEUM
AND NATURAL GAS IN THE DOL-
LARHIDE CLEARFORK, DOLLAR-
HIDE DEVONIAN, DOLLARHIDE
ELLENBERGER, AND DOLLARHIDE
SILURIAN FIELDS, ANDREWS
COUNTY, T E X A S

Midland, Texas
October 23, 1952.

B E F O R E

HON. EDWIN L. MECHEM, CHAIRMAN,
NEW MEXICO OIL CONSERVATION COMMISSION

HON. GUY SHEPARD, MEMBER
NEW MEXICO OIL CONSERVATION COMMISSION

HON. R. R. SPURRIER, SECRETARY
NEW MEXICO OIL CONSERVATION COMMISSION

HON. ERNEST O. THOMPSON, COMMISSIONER
RAILROAD COMMISSION OF TEXAS

TRANSCRIPT OF PROCEEDINGS

APPEARANCES

<u>Name</u>	<u>Representing</u>
Mr. William B. Macey, Chief Engineer	
Mr. George Hirschfeld, Engineer	
Mr. L. C. White, Attorney	New Mexico Oil Conservation Commission
Mr. A. L. Porter, Jr., Production Manager	
Mr. George A. Graham, Attorney	
Mr. George F. Singletary, Ass't Chief Engineer	Railroad Commission of Texas
Mr. J. C. Blackwood	Amerada Petroleum Corporation
Mr. H. E. Massey	Cities Service Oil Company & Cities Production Corporation
Mr. H. W. Swain	Continental Oil Company
Mr. Frank O. Elliott	L. E. Elliott, Elliott & Hall
Mr. James D. Walker	
Mr. J. C. Winton	
Mr. H. B. Newsom	Gulf Oil Corporation
Mr. H. L. Stroughan, Jr.	
Mr. Claude E. Upchurch	
Mr. J. W. House	
Mr. J. L. Poudier	
Mr. R. S. Dewey	
Mr. W. E. Hubbard	
Mr. Charles E. Shaver	Humble Oil & Refining Company

APPEARANCES

<u>Name</u>	<u>Representing</u>
Mr. Robert J. Leonard	Leonard Oil Company
Mr. E. P. Keeler	
Mr. Earl S. Thurman, Jr.	Magnolia Petroleum Company
Mr. Ollie J. Ford, Jr.	
Mr. Robert B. Haynie	J. C. Maxwell
Mr. Charles C. Loveless, Jr.	New Mexico Oil & Gas Ass'n
Mr. Raybourne Thompson	
Mr. M. H. L. Keener	The Pure Oil Company
Mr. Jack T. Dure	
Mr. Francis Falcon	
Mr. M. K. Main	Shell Oil Company
Mr. Allen Ehlers	
Mr. George Selinger	Skelly Oil Company
Mr. J. C. Chapman	
Mr. J. D. Cooper	
Mr. James K. Smith	
Mr. W. A. Blankenship, Jr.	Stanolind Oil & Gas Company
Mr. D. K. Spellman, Jr.	The Ohio Oil Company
Mr. Wm. E. Bates	
Mr. John Mills	The Texas Company
Mr. C. J. Ray, Jr.	

COMMISSIONER THOMPSON: This is Oil and Gas Docket No. 126 #8-24,657, in re the conservation and prevention of waste of crude petroleum and natural gas in the Dollarhide Clearfork, Dollarhide Devonian, Dollarhide Ellenberger, and Dollarhide Silurian Fields, Andrews County, Texas. Austin, Texas, October 7, 1952. Notice of Hearing pertaining to a determination of equitable allowables for the Dollarhide Clearfork, and the rest of the fields as named above. Notice is hereby given to the public, and so forth, copy of which I shall hand the Reporter.

Since these Dollarhide reservoirs extend across the State lines and inequities in field allowables exist as a result of differences in the methods of their determination in the two States, a previous joint meeting was held in Santa Fe, New Mexico, by the Oil Conservation Commission of New Mexico and the Railroad Commission of Texas for the purpose of discussing the problem of inequities in withdrawals from the Dollarhide reservoirs in the two respective Sovereign States; and as a result of that meeting and because of the progress in the development of the fields, this hearing was called, and is to be heard jointly with a similar hearing to be called by the Oil Conservation Commission of New Mexico for the purpose of determining what allowables are necessary to bring about an equity in the withdrawals of oil from the Dollarhide Clearfork, Devonian, Ellen-

berger and Silurian reservoirs extending across the State lines of Texas and New Mexico.

Attending this hearing today and conducting this hearing, representing the New Mexico Conservation Commission is The Honorable Richard Spurrier, The Honorable Guy Shepard, representing that State, and Ernest O. Thompson, a Member of the Railroad Commission, representing the State of Texas. The New Mexico notice of hearing will be entered into the record jointly with the Texas notice. Mr. Spurrier and I have jointly prepared a statement.

Will you read it, Mr. Spurrier?

MR. SPURRIER: This is headed, "Dollarhide Oil Field Hearing, held jointly by the New Mexico Oil and Gas Conservation Commission and the Texas Railroad Commission, the Oil and Gas Conservation Body of the State of Texas.

"This hearing is perhaps the most important conservation hearing ever held since conservation of oil and gas was established by law. The reason for this importance is that today two sovereign states, New Mexico and Texas, are holding jointly a hearing to prescribe conservation rules and regulations under the laws of their separate sovereign states for the prevention of physical waste in the production of oil and gas in the Dollarhide Field, which oil field lies along the line and

and overlaps the line into each of these states, but today this joint hearing between New Mexico and Texas on the Dollarhide Field includes Federal lands. At a preliminary hearing of the Dollarhide Field which was held jointly by the same two Commissions a few months ago in Santa Fe, New Mexico, a representative of the Federal Government, U. S. Geological Survey, testified that the government was in the position of any other land owner, which, of course, is the proper position for a state or a Federal Government to take with relation to their lands when developed along with private citizens lands under conservation laws, rules and regulations. The government is not paramount, they are a land owner. The government, of course, cannot expect any more favorable or any less favorable consideration at the hands of regulatory commissions than any other private land owner or lease owner or royalty owner. All of the above is reflected in the transcript of the hearing on this Field held in Santa Fe, New Mexico. It was decided at the Santa Fe, New Mexico, preliminary hearing that when the field was sufficiently developed to show the reservoir characteristics, that an additional hearing would be held for the purpose of establishing proper rules and regulations for the production. This is that hearing being held today in Midland, Texas. The Dollarhide Oil Field has several producing horizons.

		Schedule Allowable
"Clear Fork	85 Wells	7,281 barrels
Devonian	134 Wells	10,241 barrels
Ellenberger	46 Wells	3,984 barrels
Silurian	59 Wells	8,653 barrels
East Dolarhide Devonian	4 Wells	155 barrels
East Silurian	1 Well	66 barrels
	<u>329 Wells</u>	<u>30,380 barrels</u>

"The authority for joint state action was granted by the Congress of the United States pursuant to the United States Constitution which provides for the sovereign states entering into interstate compacts, the interstate oil compact was ratified and approved by the Congress in 1935 and has been re-approved and re-ratified several times since. This ratification and the treaty entered into by the sovereign states pursuant to this ratification gives the states the right to do all things necessary to prevent physical waste in the production of oil and gas.

"It is notable that herein seventeen years ago the sovereign oil producing states authorities, by entering into the compact and getting the consent of the Congress to operate under that compact, made unnecessary any Federal interference or Federal control of the oil and gas producing business."

COMMISSIONER THOMPSON: Will the witnesses who expect to testify rise and be sworn; just rising doesn't mean you

have to testify. It makes you eligible so that we won't have to take time to swear you again. You might want to say something; get up and be sworn and save doing it again. Will you raise your right hands?

(WHEREUPON, ALL THE WITNESSES WERE DULY SWORN.)

COMMISSIONER THOMPSON: Who will favor us by leading off? Mr. Thompson?

MR. THOMPSON: My name is Raybourne Thompson, representing Pure Oil Company, which is one of the operators on the Texas side of the Dollarhide Fields. Pure has been in this field since discovery. It has assembled all of the information that has been available to it on this field and we would like to present some of that testimony if the Commission would like to hear it.

COMMISSIONER THOMPSON: We have agreed, both State Commissions, that we would be honored to have you present it in your own way.

MR. THOMPSON: We would like to present Mr. M. H. L. Keener first.

MR. KEENER: I would like to hand you these duplicate exhibits. This is Exhibit I and this is Exhibit 2. (Indicating).

COMMISSIONER THOMPSON: Proceed.

Q (By Mr. Thompson) Would you state by whom you are employed and in what capacity?

A I am employed by The Pure Oil Company, Division Development Geologist, Texas Production Division at Fort Worth.

Q All geological problems of The Pure Oil Company in this Dollarhide Field is under your direct supervision?

A That is correct.

Q Would you please give us the geology of this field, Mr. Keener, including when it was discovered and such other pertinent information that bears on the geology of the field?

A With your permission, I would like to talk from the exhibits hanging on the wall. The Dollarhide Field is located in the extreme Southwest corner of Andrews County, being at the intersection of Block 852, Public School Land Survey; Block A-55, Public School Land Survey in Texas, and in Township 24-South, Grange 3018 in New Mexico, and Township 25-South, Grange 3018, also in New Mexico. It is geographically located ten miles East of Jol, New Mexico, thirty miles Southwest of Andrews, Texas, twenty miles North of Kermit. The field was discovered by Magnolia-Humble joint venture, E. P. Cowden No. 1 in June, 1945. This well was a Devonian completion. The West Dollarhide discovery was the Skelly-Seaboard and Maxwell State No. 1-J, completed in August, 1951, as an Ellenberger producer. Both fields are now producing from four common pays, the Clearfork, or known in New Mexico as Drinkard, at approximately 6100'; the Devonian at 7400'; the Silurian at 8150', and Ellenberger at 9600'. In addition, there have been two completions on the extreme West side of the New Mexico area, between sands; I believe shown on the exhibit as ground wells. The average elevation for this area

is 3150' above sea level.

Q Mr. Keener, let's take up your different reservoirs. Suppose first you explain Pure's Exhibit No. 1, I believe that's how it is identified.

A Exhibit 1 is a location map of the two areas, scale one inch to a thousand feet; the various colors representing the completions in each of the four producing horizons are shown, common to both Texas and New Mexico. The colors at the bottom correspond to the colors on the wells and also correspond to the outline of the productive area shown on the map; the blue line representing the Clearfork or Drinker production, that is, wells completed to date, and the yellow representing the Devonian production. The Silurian or Ellenberger wells have not been shown on this map but in Texas they are restricted to approximately three and a-half sections on the crest of the structure which is located along the East side.

Q What has been the pattern of development on the Texas side?

A On the Texas side, wells have been drilled in general to the lowermost producing horizon with twins or dual completions being made for the shallow pay.

Q What is the well density on the Texas side?

A All pays have been developed on 40 acre spacing.

Q Is that what the Commission rules provide for?

A For the three lower pays, field rules provide for that spacing.

Q 40 acre spacing. Suppose you explain Pure's Exhibit No. 2.

A The line of cross-section represented by Exhibit No. 2 is shown

on the map, Exhibit 1, by a red line. It is a general East-West section to the North half of the field, of the Texas Field, and to the Central part of the New Mexico area. The four pays are shown on the cross-section in the same colors as shown on the map, the uppermost being Clearfork, then the Devonian, Fusselman -- correction, that's the Silurian pay, the Fusselman being the name of the formation in which the Silurian pay is encountered, and the Ellenberger.

Q Suppose you tell us something about the reservoir rock, or whatever you call it -- the formation.

A The number of producing wells in the Texas area, in the Clearfork reservoir, as of October 15, was 83; the New Mexico area had two Drinker completions. These are shown in the blue boxes.

Q Drinker is the same as Clearfork?

A Yes, sir, it is called Drinker in New Mexico. The geological structure of the Clearfork reservoir contoured on top of the Tubb formation, with the marker at the top of the Clearfork pay, shows the North-South trending anticline approximately five miles long and two and a-half miles wide located in Texas and separated by a saddle which follows a structural high in New Mexico. Indentations on the Tubb contour reflect, in a general way, the pre-Permian faulting. Dips range from 250 to 500' per mile. In the Texas area, the highest point on the structure -- this area (indicating) -- the Northeast part of the field, is -2920'. In the New Mexico area, the highest point on the structure is only 10' higher, located on the

However, there is some indication in edge wells that some water-bearing porosity lenses have been penetrated at this depth. The field limits will probably be established by lack of porosity development.

Continuity of the Clearfork pay from Texas to the New Mexico area has been shown by the six producing wells in this horizon on the Texas side. (Indicating). There is a producing Clearfork well on each of these locations on the line of cross-section. There have been numerous drill stem tests in 14 New Mexico wells which have penetrated this section as well as the two Clearfork completions in the West Dollarhide area.

Westward from the State line, the Gulf Leonard 16-E made three drill stem tests in the Clearfork, or Drinker, each of which recovered oil and gas-cut mud, and one of which circulated out 16 barrels of oil. The next well to the West, Gulf Leonard "E", recovered oil and gas-cut mud, together with small quantities of free oil. Gulf took their drill stem tests over a 779' interval.

The Skelly-New Mexico State 1-J, the discovery well for the West Dollarhide Field, flowed 21 bbls. of oil in two and a-half hours in a 120' section at the top of the Clearfork pay and had very encouraging results from the second test over an additional 620' of section.

Westward along this line, other drill stem tests have indicated oil and gas-cut mud and small quantities of free oil and the last position on the line of cross-section has

Skelly State 4-L. The Clearfork pay section consists of dense, limy, crystalline limestones and Dolomite with numerous thin shales and some Anhydrite streaks. The top of this pay section occurs at approximately 100' below the top of this Tubb marker. Porosity is scattered throughout the section from the top of the pay for as much as 900' into the section. Average gross pay is 650', approximately thirty percent of which can be considered net pay. Interstitial porosity development in both the Dolomite and Limestone and scattered porosity is present throughout the section. Best development of this porosity is in the 120' zone immediately overlying the line of section which is found at approximately 520' below the Tubb marker.

Within this zone, core analyses have indicated porosity as high as twenty percent; permeabilities of as much as 70 to 80 millidarcys. However, an average of ten percent porosity and ten millidarcy permeability is more representative of the net pay throughout the section. Water saturation is eighteen percent, from core analyses.

COMMISSIONER THOMPSON: You just take your time, now; there is no rush.

- A Although the water level is not clear-cut in the Clearfork, a figure of -3750 is believed to be a conservative estimate for the Texas area. A large number of wells have been completed at this depth in open hole to produce, without producing water, and some have been completed as low as -3800'.

been a Clearfork completion.

Q You think that the oil accumulation in this reservoir is continuous, Texas over New Mexico?

A Yes, sir.

Q Within the limits of the field as it has now been defined?

A The lower portion of the shaded area on the cross-section represents this water level of -3750. I believe that applies equally to both areas, in both territories in each of the two States.

Q Will you proceed with the Devonian reservoir and give us the information on that?

A Similar data on the Devonian, there have been 134 Devonian completions in Texas and 6 in New Mexico, one complete in the past week. The current productive area in Texas is based on 40 acres per well and would be 5360 acres, and 240 acres in New Mexico. The general geological structure contoured on top of the Devonian formation resembles, in a general way, the shallower Clearfork structure. However, the dips are steeper and there is faulting throughout the field. The pre-Permian structure, of which the Devonian is the top of the pre-Permian member in this area, shows faulting bordering the Eastern side of the Texas field, and we have cross-faults throughout the Texas area as well as some faulting in the New Mexico area. The two areas of Texas and New Mexico are connected at the top saddle, the lowest point of which is still more than 700' above the Devonian water level. This is

represented on the cross-section by the yellow band, representing the Devonian pay section, and the dashed yellow line representing the Devonian water level. The line is 5300'. On the top of the Texas structure, the Devonian section has been removed by erosion; only one well in the New Mexico area has indicated slight truncation. However, the top of the structure in the two areas is practically level, even though in the Texas area there has been a full 200' of section. The Devonian section is a line of Dolomite with 40 to 60' of cherty zone at the top and 55 to 80' of buff, weathered, calcareous chert at the base. The intervening section is white crystalline lime and the entire Devonian, except where it is truncated, is overlain by Woodford shale. The porosity development in the upper cherty Dolomite is from interstitial and fractured porosity; where best developed, the lower weathered chert is relatively homogeneous containing secondary solution drive. The average porosity for the section is approximately 13 percent, with an average permeability of 40 millidarcys. Water is encountered in the Devonian only along the edge wells in which the top of the Devonian has dipped down below the -5300'. A few wells located close to the fault have produced water from slightly higher points. Of the 15 wells which have obtained formation fluid by testing the Devonian in the New Mexico area, only one, the Texas Penny Federal, has been low enough structurally to produce formation water. This is the extreme South end and there is

a possibility of faulting on the Southwest side of that area.

It is believed that the water level in the Texas and New Mexico fields are both approximately 5300' subsea. Along the line of cross-section, each location in the Texas area supports a Devonian producing well. The off-set on the New Mexico side, the Gulf 16-X Leonard, has penetrated the Devonian and drill stem tested it but has not yet been completed. Each of the next two wells to the West, along the line of cross-section, have recovered encouraging amounts of oil and gas-cut mud, and the third well, the Skelly-New Mexico 2-J, flowed 51 bbls. of oil in two hours on a drill stem test. While the next two wells did not test the Devonian, the Westernmost well from the line of cross-section, the Elliott Federal 1-H, recovered 315' of heavy oil and gas-cut mud on two hour test and the South off-set to this well has recently been completed in the Devonian.

Q So you feel that there is continuity of the oil column in this reservoir extending from Texas into New Mexico and vice versa?

A Yes, sir.

Q Now, your cross-section does not indicate continuity in the oil column in the Silurian and in the Ellenberger, is that your interpretation?

A Yes, sir. As previously mentioned, the Silurian and Ellenberger production in Texas is limited to these four sections along the West side of the field. The formation dips below

the established water level before reaching the producing area in New Mexico.

Q So there is a saddle in between these two producing reservoirs which separates the oil column?

A That's correct.

Q In the respective States?

A In both the two lower pays, the top of the formation dips below the water level, which in these two reservoirs is the field limit, the intersection of the water level and the top of the formation.

Q For the record, you might give what information you have concerning the properties of the Silurian reservoir and also the Ellenberger.

A The Silurian reservoir is often referred to as the Fusselman in this area. It contains 59 producers in Texas and four in New Mexico. Contours on top of the Fusselman formation reflect this dip into the water level. Control in the Fusselman extends to a point approximately one mile ---

COMMISSIONER THOMPSON: Will you stop just a minute? Just at this point, let the record show in the beginning of the hearing that the movement of the hearing room from the City Hall to the Courthouse, there was some confusion, of course; let the record show that Mr. Shepard, the Land Commissioner of the State of New Mexico and a Member of the Conservation Commission is sitting with Mr. Spurrier and myself, and also at this

point at the beginning of the record, let it show that the Governor of New Mexico on yesterday by telephone through his secretary expressed his concern over this meeting and his interest in it and said that his two colleagues would be here in attendance. Also, let the record show that the Chairman of our Commission is engaged in an important piece of business today and expressed his regret at not being able to come, and Mr. Murray, the other Commissioner of the Texas Commission, is conducting a hearing in Austin.

You may proceed. Excuse me for the interruption.

- A In the Silurian reservoir, the structural control has some dip below the water level. However, there is a gap from a mile to a mile and a-half between control points on the two sides of the line. This is shown by the wells in the cross-section not penetrated down to the Fusselman level. The Fusselman or Silurian is a white to light-colored medium crystalline lime, grading down to the Dolomite; approximately 300 to 350' maximum thickness in the porous section is encountered. Both porosity and permeability are rather uniform throughout the section; however, some tightening of porosity near the top of the section is indicated along the North flank of the structure. However, because of the active water encroachment along the flanks of the structure, it is believed that porosity development is good in the section. The average porosity for the Silurian is 5.8 percent, with an

average permeability of 9 millidarcys. Water saturation has not been determined. Although a few tests as low as -5550 in the Dollarhide Texas Field have shown no water, an initial water level of -5520 has been rather well established for the field. In the West Dollarhide area, five wells have been completed in the Fusselman. Water free recompletions have been made as low as -5601; whereas, four wells have shown water to be above -5644. It is believed that the water level in the West Dollarhide area is between these depths of -5601 and -5640, which would place the water table 80 to 120' lower than the Texas producing area. This has been shown on the cross-section by the bottom of the Silurian pay in New Mexico being located approximately 100' lower than the Texas area. In the Texas area, there is 525' below the water level.

Q What about the base of your water in the Silurian, does it have a common base in Texas and New Mexico, or do you know?

A You mean how far the porosity will extend into the section?

Q Yes.

A The base of the water would probably be the base of the porosity. There is 300 to 350' of porosity in the Silurian-Fusselman pay, and that is reduced by the position of the water level within that porosity.

I would like to continue with the Ellenberger. There are 45 Ellenberger producers in the Texas Dollarhide and seven in the New Mexico West Dollarhide. As in the case of the Silurian reservoir, the Ellenberger structure closely matches the

Devonian. Here again, on the base of the Devonian control, the top of the Ellenberger pay drops below the water level across the connecting saddle; this area (Indicating). The structure of the three pre-Permian pays, Devonian, Silurian and Ellenberger, are very similar, faulting found in one has been carried on to the other two and it has been reflected in the shallower Permian contours, not necessarily as faults but as indentations of the contours. Although we do not have deep control across the saddle for the Silurian and Ellenberger, we feel that the Devonian control can easily be extended to the lower pay. The Ellenberger is a medium, coarsely crystalline Dolomite, containing minor amounts of chert and sand. The maximum penetration of the Dollarhide structure has been 480' in the Humble-Cowden 9-B. Vugular and fractured porosity is well-developed. The average porosity is 2.2 percent, with an average permeability of 5 millidarcys. The initial water level for the Dollarhide Texas Ellenberger reservoir has been established at -7000' and in the West Dollarhide area, satisfactory completions have been made as low as -7130', but drill stem tests show that the water level is not far below that point. The Gulf State No. 9-B, a recent Ellenberger completion through perforations down to -7115, is reportedly making a small amount of water at present. The water level of -7130 has been assumed to determine the ultimate productive limits in the West Dollarhide area.

Q Do you have anything further that you would like to add concerning the geology of these fields?

A As mentioned, there is some faulting in both areas; in the Texas area where we have control, I think we have these pretty well tied-down. In the New Mexico area, there is some rather major faulting which has not been tied-down due to the small number of wells.

COMMISSIONER THOMPSON: "Tied-down," just what do you mean by "tied-down"?

A We know it is between one well and another but we can't tell the direction in which it is running. It appears to be on the Southwest side of the New Mexico structure.

COMMISSIONER THOMPSON: I know what it means, but I want the record to clearly reflect just what you mean by "tied-down."

A However, the deep structure, the Ellenberger structure and the Silurian, together with the faults in those structures, have been reflected in the Devonian and also in the shallower Permian markers, and even though we don't have deep control, we feel that the Devonian control points are indicative.

MR. THOMPSON: That's all we have from Mr. Keener.

COMMISSIONER THOMPSON: Mr. Macey, would you like to ask the witness some questions?

MR. MACEY: No, sir.

COMMISSIONER THOMPSON: Mr. Singletary?

MR. SINGLETARY: No, sir.

COMMISSIONER THOMPSON: Mr. Spurrier?

MR. SPURRIER: No, sir.

COMMISSIONER THOMPSON: Mr. Shepard?

MR. SHEPARD: No, sir.

COMMISSIONER THOMPSON: Does anyone in the audience wish to ask a question of this witness before he is excused from the stand? Anyone?

MR. SELINGER: Yes, I'd like to.

COMMISSIONER THOMPSON: Will you tell your connection, what Company you're with?

MR. SELINGER: My name is George W. Selinger, I am with the Skelly Oil Company at Tulsa, Oklahoma.

Q (By Mr. Selinger) Mr. Keener, as I understand your testimony, it is to the effect that there is an oil continuity across the State line in the Devonian and Clearfork zones and a lack of oil continuity across the State line in the Silurian or Fuselman and Ellenberger zones, is that correct?

A For the two shallower pays, that is exactly correct. The two lower pays we have broken up without showing the oil section across the State line. There is a lack of continuity across the saddle. Exactly how far this oil section will extend up here (indicating), or just where the reversal may be is not established. If the reversal were here (indicating), the oil column would cross the State line.

Q But looking at your Exhibit 2, there is a lack of oil continuity from the present oil production in the Dollarhide Field

in Texas and in the West Dollarhide Field in New Mexico in the Silurian or Fusselman and Ellenberger?

A Yes, sir.

COMMISSIONER THOMPSON: Any further questions?

Anyone?

Q (By Mr. Ehlers) I assume that that cross-section is true scale, am I right?

A Yes, sir, it's 500' to the inch, vertical and horizontal.

Q I couldn't tell from here but I thought that was true.

Thank you.

COMMISSIONER THOMPSON: Was it prepared under your direction?

A Yes, sir.

COMMISSIONER THOMPSON: Any further questions?

Anyone? Feel free.

MR. RAY: I'm Carl J. Ray with The Texas Company.

Q (By Mr. Ray) Mr. Keener, I notice your cross-section runs approximately midway, speaking of North and South area of this field, and concerning the picture on the Devonian horizon, could you tell me what the effect might be if it were run through a section -- run through the wells in the Southernmost part of the New Mexico Field?

A On the Southernmost end, there are few wells to tie to; you move one location South to get a line of wells through there. There is a suggestion of faulting and a very sharp dip down to the Southernmost area.

Q The wells I had particular reference to would be this line of wells down here (indicating). I notice these are colored in here in the Devonian color.

A The effect of this faulting in the Southwestern part of the West Dollarhide, I don't believe has yet been established with respect to the Southernmost wells here. There is faulting with a sharp dip in between these two Southernmost wells, but the direction of that faulting in there is hopeful.

Q Is there any evidence in faulting in that area in the North-South direction?

A No. There is probably a North-South component to this fault; we haven't found anything cut through the field.

COMMISSIONER THOMPSON: Any other questions? Feel free to ask the questions. You get information free here. I take it, Mr. Thompson, there is no more questions of this witness. Thank you for your appearance and I congratulate the witness on the nice presentation.

MR. THOMPSON: We would like to call Mr. Dure as our next witness.

COMMISSIONER THOMPSON: Please be at ease and take your time.

Q (By Mr. Thompson) Mr. Dure, state your full name and by whom you are employed and in what capacity.

A My full name is Jack T. Dure, I am employed by The Pure Oil Company in the official capacity of Chief Production Engineer of the Texas Producing Division, Headquarters at Fort Worth,

Texas.

Q Are all production engineering problems of The Pure Oil Company in the Dollarhide Fields under your direction and supervision?

A Yes, sir.

Q Mr. Dure, I believe there have been several hearings before the Texas Railroad Commission in this field, is that correct?

A That's correct.

Q And the reservoir's statistical data has heretofore been introduced in the record before the Railroad Commission and has been brought down from time to time?

A That is correct.

Q Have you assembled all of the reservoir data pertaining to these reservoirs which you have and brought that right down to date?

A We have; insofar as our records permit it, we have brought it up to date.

Q That information is contained in Pure Exhibit No. 3?

A That's correct.

MR. THOMPSON: At this time, I would like to offer in evidence Pure's Exhibits 1 and 2.

COMMISSIONER THOMPSON: Without objection, they will be received. Is there an objection from anyone? I hear none. They will be admitted and named 1 and 2 according to your own designation. Which will be No.

1?

MR. THOMPSON: They are marked.

COMMISSIONER THOMPSON: According to the marks you have on the exhibits.

MR. THOMPSON: Pure Exhibit No. 3 will consist of the reservoir statistical data concerning which Mr. Dure has just mentioned. I have here extra copies ---

Q (By Mr. Thompson) Mr. Dure, I think Mr. Keener testified that the reservoirs mentioned had been developed on the Texas side on 40 acre spacing, is that correct?

A That is correct.

Q Is it your opinion that that is a proper pattern of development for these reservoirs?

A Yes, that is our opinion. We recommend it to the Railroad Commission, that such a pattern be established.

Q And that pattern has been established by the Railroad Commission?

A It has in the three deeper fields. At the present time, there are no field rules for the Dollarhide Clearfork.

Q There never have been any for the Clearfork reservoir?

A No, sir, it is operated under Statewide rules.

Q But it has been developed on 40 acre spacing?

A That's right.

COMMISSIONER THOMPSON: One well to 40?

A One well to 40.

Q (By Mr. Thompson) And under the same rules that pertain to the other three reservoirs?

A That is correct.

Q Do you think that it would be well to make the rules that pertain to the other reservoirs applicable to the Clearfork reservoir?

A Yes, I do.

Q Do you so recommend that the Railroad Commission of Texas do that?

A That would be our recommendation, yes.

COMMISSIONER THOMPSON: And why?

A We have, in observing the field performance, observed pressure communication throughout the field and on that basis believe that one well can adequately and properly drain 40 acres.

COMMISSIONER THOMPSON: It is your testimony as a petroleum engineer with the experience that you have had in this field that one well will adequately drain 40 acres?

A That is correct.

COMMISSIONER THOMPSON: And that you recommend to this Commission that one to 40 be adopted as the rule?

A I do.

COMMISSIONER THOMPSON: Proceed.

Q (By Mr. Thompson) Mr. Dure, what type of energy do you have in this Clearfork reservoir which brings the oil out of the ground?

A The Clearfork reservoir -- let's correct that, the oil found in the Clearfork reservoir initially was undersaturated. To

the present date, this field has produced under a solution gas drive mechanism and various calculations on the field as a whole have indicated that there is no entry of extraneous fluids into the reservoir that we can determine at the present time.

Q That, then, would be -- what would you call that, a gas expansion?

A Solution gas drive.

Q Solution gas drive field. No water drive?

A We have been able to determine no water drive.

COMMISSIONER THOMPSON: Would you say no active water drive?

A No active water drive, and to further bear that out, several of the wells have produced small amounts of water on initial completion. After a period of twelve to eighteen months of additional production history on that particular well, it is still producing water but in a lesser amount than it did when it was first completed.

COMMISSIONER THOMPSON: Which would lead you to believe what?

A It would lead me to believe that it is connate water that was laid down in the formation when the formation was laid down.

COMMISSIONER THOMPSON: If you had a hydrostatic

drive, what would be the ---

A I would expect the water to show increases, particularly in those wells that are positioned low structurally.

COMMISSIONER THOMPSON: That would be the natural phenomenon?

A That would be the natural phenomenon. We have not had that occurrence.

COMMISSIONER THOMPSON: Go ahead.

Q (By Mr. Thompson) What about the Devonian reservoir?

A The Devonian reservoir is producing under the same type of mechanism that we have found in the Clearfork; namely, solution gas drive.

Q And you have found no active water drive?

A We have found that the water production, there were a few wells completed initially producing water; these wells have shown no increase in water production. There have been a few traces of water shown up over the field but none of them have ever increased appreciably. Also, I might add that calculations on the reservoir as regards withdrawals and pressure relationships also indicate the absence of the influx of extraneous fluids into the reservoir.

Q Mr. Dure, have the operators on the Texas side of the field established any procedure for taking pressures in any of these reservoirs and do you have any type of an engineering group that discusses the reservoir engineering problems in these fields?

A In the Dollarhide Field, the Reservoir Engineering Committee was established by the operators for the purpose of making possible interchange of information. Also, the operators in

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A In the Dollarhide Field, the Reservoir Engineering Committee was established by the operators for the purpose of making possible interchange of information. Also, the operators in

the Dollarhide Fields have in the early days conducted quarterly bottom-hole pressure surveys; for the last couple of years, have cut that down to semi-annual surveys in each of the four producing horizons.

COMMISSIONER THOMPSON: And have you had those meetings and had this interchange of information?

A We have interchanged the information.

COMMISSIONER THOMPSON: You did not have the meetings, you simply swapped the information?

A It was simply a case of a mechanism whereby we made our information available to the other operators and vice versa.

COMMISSIONER THOMPSON: And did the other operators make their information available to you?

A Yes, sir.

COMMISSIONER THOMPSON: And did you use it? Did you read it?

A We have used it in our own work in keeping track of the performance of the reservoir.

COMMISSIONER THOMPSON: You said you had the mechanism, but did you actually ---

A It has been an operating mechanism.

COMMISSIONER THOMPSON: That's what I'm trying to develop.

Q (By Mr. Thompson) Has that exchange of information been going on since this field was brought in?

A Yes, sir. I believe that Committee was established, oh,

roughly, six or seven months after the initial well was completed.

Q Did the Railroad Commission of Texas rules require pressure surveys in these reservoirs?

A They do not.

Q But they have been taken by the operators quarterly?

A Quarterly in the initial -- in the early stages of development of the field; they are now being taken semi-annually.

COMMISSIONER THOMPSON: Reading through this data, if you will pardon me a second, Mr. Thompson, I find here on Page 6, "Early pressure history in the Devonian was erratic."

A That's true.

COMMISSIONER THOMPSON: "Later drilling showed this pay to be faulted, accounting for this early inconsistency in pressure history."

A That is true. In the extreme South end of the field, there is a Northeast-Southwest fault, forming a South fault segment in the Devonian reservoir. I might say that all initial -- all early completions in the Devonian horizon were made in that particular section and it was after it was developed, the deeper horizons were discovered to the North and development to the North showed that the Devonian was productive but very little production occurred from that section as the wells were completed in the deeper horizons.

COMMISSIONER THOMPSON: That's all I had, Mr.

Thompson.

Q (By Mr. Thompson) Do you think that it would be well to have a Commission requirement making it mandatory that the operators take periodic bottom-hole pressure surveys in this field?

A I think it would be desirable to have the information. We have been taking it, and in view of the fact that the field has moved across the State line and we have two Commissions involved in it, it would be my thought that it would be well to have it set up as a provision that these pressures be taken.

COMMISSIONER THOMPSON: How often would you suggest?

A Semi-annually.

COMMISSIONER THOMPSON: What dates would you suggest?

A At the present time, we are using the months of April and October.

COMMISSIONER THOMPSON: You find those months convenient?

A We found them convenient until our gasoline plant got going. We are seriously considering changing to May and November.

COMMISSIONER THOMPSON: You recommend that semi-annual tests be required and made when?

A May and November.

COMMISSIONER THOMPSON: That would be your recom-

mendation?

A That would be our recommendation.

COMMISSIONER THOMPSON: And that would be convenient to your operation?

A We would recommend that it be a key well survey.

COMMISSIONER THOMPSON: So it will inconvenience you as little as possible?

A That's correct.

COMMISSIONER THOMPSON: And still make the information available?

A Yes, sir.

COMMISSIONER THOMPSON: That's what we want, the information.

A The reason for our changing months is that the gasoline plant was running separate tests at that time.

COMMISSIONER THOMPSON: That's the reason I asked if it were convenient, so that it would not inconvenience you too much.

A That would be perfect.

Q (By Mr. Thompson) Should that survey also be made on the New Mexico portion of the field?

A It is our belief that it should.

Q In all of these reservoirs?

A In all these reservoirs.

Q You think that you can better determine by looking at these pressures whether your withdrawals are too much, too little ---

A Yes, sir.

Q By these pressures?

A That information is necessary to make any study in an effort to determine the proper nature of the withdrawal rate.

Q Is it your opinion that your withdrawals from the Texas portion of the Clearfork reservoir will affect the pressures in the New Mexico portion of the Clearfork reservoir?

A I do.

Q Is it also your opinion that the same thing prevails with respect to the Devonian reservoir?

A I do.

Q Do you have any opinion concerning the Silurian and Ellenberger reservoirs?

A I think there is a possibility that the same relationship will apply there.

Q You feel that the pressure surveys should be made a requirement in both Texas and New Mexico with respect to the Silurian and Ellenberger, just like the Devonian and Clearfork?

A I do.

Q So that you can determine whether withdrawals in one area are affecting the withdrawals in another or vice versa?

A That's one necessary piece of information in making such determination.

COMMISSIONER THOMPSON: What other pieces of information are necessary to make a determination?

A The other pieces of information, we have parts of them here,

the standpoint of geological structure, the continuation of the pay horizon and the pressure information that will either tend to confirm or deny that relationship that you've been able to determine from your geological work.

COMMISSIONER THOMPSON: To know what is going on all over the field?

A That is correct.

Q (By Mr. Thompson) Back to your Clearfork reservoir, are the allowables in Texas different from the allowables in New Mexico?

A Yes, sir.

Q Do you feel that that should or should not continue?

A No, sir, I believe that they should be the same.

COMMISSIONER THOMPSON: Some are higher and some are lower on both sides?

A Right.

COMMISSIONER THOMPSON: Do you think they should be the same?

A I think they should be equalized, treated as one field.

COMMISSIONER THOMPSON: As a reservoir?

A As a reservoir, yes, sir.

Q (By Mr. Thompson) What about the Devonian?

A The same thing applies there.

Q Withdrawals there should be the same?

A Yes, sir.

Q And you state that you don't have sufficient information at hand to make a determination with respect to the Silurian and

Ellenberger?

A As I stated, I think, a moment ago, if there is a possibility that withdrawals in one would affect the other. I don't think there is sufficient information at the present time to determine that.

COMMISSIONER THOMPSON: But in order to play safe, if you had the same rules on both sides as though it were all in one State -- the fact that the State line runs through it doesn't have anything to do with the reservoir?

A It doesn't have anything to do with the reservoir, no, sir.

COMMISSIONER THOMPSON: Go ahead.

A As I stated before, we think there is a possibility that withdrawals from one would affect the ---

COMMISSIONER THOMPSON: If they were the same rules, that would take care of that?

A If they were treated the same, that would eliminate any possibility. At the present time, we can't say definitely that that condition exists.

COMMISSIONER THOMPSON: Ain't nobody been down there, they don't know for sure.

A That's correct, we haven't been there by proxy.

Q (By Mr. Thompson) Did you testify that the allowables were or were not the same in Texas and New Mexico with respect to the Devonian reservoir?

A I said they were different.

COMMISSIONER THOMPSON: Well, I said there was some higher and some lower in both States. We don't want any imputations or inferences made that anybody is beating the other.

Q (By Mr. Thompson) Mr. Dure, the information contained in our Exhibit No. 3 correctly reflects what it purports to reflect and it is accurate?

A Insofar as we have been able to make it.

COMMISSIONER THOMPSON: Was it prepared under your direction?

A Yes, sir, it was.

COMMISSIONER THOMPSON: Did you help in the preparation?

A In parts of it, yes, sir.

MR. THOMPSON: We will offer as our Exhibit No. 3 the reservoir statistical data.

COMMISSIONER THOMPSON: Without objection, they will be received. Is there objection to the data? He has testified they are just as written down here. I hear no objection. They will be admitted as numbered, by both Commissions.

MR. THOMPSON: That's all the testimony we have of Mr. Dure.

COMMISSIONER THOMPSON: You have a question, Mr. Singletary?

Q (By Mr. Singletary) This question has to do with the Ellen-

berger and Silurian transcript, principally. Last year, it was testified in our NER hearings that both these reservoirs had good water drives.

A That's correct.

Q Even though they do not connect at this time across the State line, don't you think it would be advantageous in these two reservoirs that the withdrawal rates be the same?

A Provided the water table is continuous under them, yes, sir.

Q You think that it is a continuous ---

A I think it is a strong possibility, yes, sir.

COMMISSIONER THOMPSON: You would recommend that identical allowables be given?

A We have recommended that pressures be required in order that we can determine that relationship.

COMMISSIONER THOMPSON: And use those pressures for that determination?

A Yes, sir, for that determination.

COMMISSIONER THOMPSON: That's the point he was making. Any other questions?

MR. SHEPARD: Your wells in the Dollarhide pool should be treated as one pool?

A You mean each of the individual pay horizons?

MR. SHEPARD: Yes, on each side of the line.

A On the two upper ones, we are recommending that they be treated as one pool.

MR. SHEPARD: What proration would you recommend for the entire pool?

A Our recommendation today has been that they be equalized.

MR. SHEPARD: But what proration?

A We have recommended in the Dollarnide side that the MER in the Clearfork be set at 92 bbls. -- the daily allowable be set at 92 bbls. per day. We have also recommended previously to the Texas Railroad Commission that the allowable in the Devonian be set at 100 bbls. per day and we can only judge on the basis of the performance history we have in the Texas side, and on that basis that has been our recommendation, and we're not -- we don't -- we have no basis on which to recommend the change today.

MR. SHEPARD: You are recommending one to the 40 or what acreage basis?

A Our recommendation on that, and we believe it is right, is one well to each 40 acres. Of course, we have recommended to the Railroad Commission in the field rules and which have been accepted, that a tolerance be recognized.

COMMISSIONER THOMPSON: Explain what you mean by "tolerance."

A In the Texas rules, as provided, you drill one well to 40 acres but if when the last well on the lease is drilled there remains in excess of twenty acres or less, it is credited to the last well drilled on that lease.

COMMISSIONER THOMPSON: That is to obviate the necessity of drilling an extra well on twenty acres.

A That's correct, and I understand that in the New Mexico side

A That's correct.

Q And insofar as the Silurian or Fusselman and Ellenberger zones are concerned, your only recommendation is for the taking of bottom-hole pressures?

A That is correct.

Q Now, when you refer to equality of allowables with respect to the Devonian and Clearfork, do you know what the allowable is on the New Mexico side?

A In which pay?

Q Either pay, both pays?

A The allowable in the West Drinkard Dollarhide is 80 bbls. per day; in the West Dollarhide Devonian, it is 135 bbls. per day.

Q What is it on the Texas side?

A In the Clearfork, it is 91 bbls. per day and in the Devonian it is 100 bbls. per day.

Q Now, in order to get your allowables on an equality basis with New Mexico, what are you going to do about shut-downs?

A We have not made any suggestions in that relationship, Mr. Selinger.

COMMISSIONER THOMPSON: Couldn't you solve that by not having shut-downs on the Texas side?

A I think that would be an admirable solution.

COMMISSIONER THOMPSON: That would be harmony between the States, would it not? Respecting the sovereign sister States?

there are some Federal lots that have been unitized with adjoining 40's to drill and our thought would be on that that acreage would certainly be used in arriving at the allowable for that well.

COMMISSIONER THOMPSON: Give them additional allowable for the additional acreage?

A Yes, sir, I certainly do.

MR. SHEPARD: When was oil first discovered in the Dollarhide?

A In 1945, I believe in the month of June.

MR. SHEPARD: By what Company?

A Magnolia Petroleum Company in 1945.

MR. SHEPARD: How many wells are on the Texas side? Do you have that?

A Yes, sir, I have that. In the Dollarhide Clearfork pay in the Texas side there are now, according to the Railroad Commission schedule as of July 1, 1952, 82 wells; in the Devonian, there were 132; in the Silurian, there were 57; in the Ellenberger, there were 45.

COMMISSIONER THOMPSON: Anyone else have a question of this witness?

Q (By Mr. Selinger) Mr. Dure, as I understand your testimony, you are advocating -- Pure Oil Company is advocating an equality of allowables between the two State fields insofar as the Devonian and Clearfork zones are concerned, is that right?

A And would simplify administration by the two regulatory bodies.

COMMISSIONER THOMPSON: It would be fair and reasonable and equitable, would it not?

A It would, in our opinion.

COMMISSIONER THOMPSON: I am asking if it's your opinion.

A Yes, sir.

MR. SELINGER: I just wanted the record to show that.

COMMISSIONER THOMPSON: That's a very good point, Mr. Selinger, I am glad you brought it up, and we're trying to indicate our willingness to go along with our sister sovereign State.

Q (By Mr. Selinger) Insofar as the Clearfork is concerned, in the equality of allowables, you would leave the Texas Clearfork as is and you would raise the New Mexico allowable from 80 bbls. up to 92?

A Under that system, that would be the action that would have to be taken.

COMMISSIONER THOMPSON: If it were shown that that was excessive by the bottom-hole pressure decline, what would you do then?

A I think in that instance it would be necessary to petition the two bodies meeting here to again consider --

COMMISSIONER THOMPSON: Reconsider the changed conditions?

A Reconsider the changed conditions and what steps should be

taken to correct it.

Q (By Mr. Selinger) Do you know the type of Clearfork production you are getting over in the New Mexico side?

A No, I'm not well-acquainted with it. The only thing we have are drill stem tests that we have received and reports on it.

Q Do you know how many Clearfork wells there are over in the New Mexico side?

A There are two completed at the present time.

Q Do you know whether or not both of these wells can or cannot make 92 bbls.?

A I do not know. I do know that one is on the pump.

MR. SELINGER: That's all.

COMMISSIONER THOMPSON: Our experience is that through the years they are not as good later, like men, as they were when they were younger.

MR. SELINGER: But these two New Mexico wells are later wells than they are over on the Texas side.

COMMISSIONER THOMPSON: I understand. They are the younger ones. Any other questions of this witness by anyone?

MR. SHEPARD: Would you recommend that New Mexico keep the same allowables they have at this time?

A I would be a little bit at a loss as to whether or not I would be in a position to recommend to New Mexico as regards their wells. We would recommend that you consider equalization across this State line, and not having the information on those

two wells in question and lacking producing history on that area, I frankly would be at a loss as to how to make a specific recommendation considering only those wells that you have. As I have stated previously, from the drill stem test data, production pay tops and the like we have on the New Mexico area as has been developed, and a great deal of that information is on wells that went to deeper horizons, we would recommend that it be considered as one reservoir or one pool.

MR. SHEPARD: Do you recommend that we come to the Texas proration or they go to ours?

A Well, our recommendation has been on the history on the Texas allowable and we would recommend staying with it, which would be recommending going to the Texas allowable.

MR. SHEPARD: You would go to the Texas?

A Yes, sir.

MR. SHEPARD: Why shouldn't they come to us?

A Well, that --- short of having producing history information on the New Mexico side, I couldn't tell you. We do have information on the Texas side to confirm the figure that we have recommended and we do have a considerable number of wells completed there and quite a bit of producing history.

MR. SHEPARD: Well, would you be willing to bring all the information to our Commission?

A Certainly. We have a great deal of it as reflected in this report that we have handed you.

MR. SHEPARD: Of course, this is just a general question; you may answer it if you want to. Why is it that Texas -- the Companies in Texas will drill right up to the New Mexico line and, speaking as a Texan to the Mexican line, and quit; why do they do that?

A I beg your pardon, I didn't follow you there.

MR. SHEPARD: Why did they drill right up to the line and quit?

COMMISSIONER THOMPSON: Do you know why?

A Oh, I'd better --- are you referring to the fact that the West row of locations on the Texas side are the last ones drilled? Let me see if I got the question right. You are referring to the fact that the West row of wells was the last line of wells drilled?

MR. SHEPARD: Yes.

A That's what we're referring to.

MR. SHEPARD: Drilled right up to the line and then you quit?

A We drilled all of our acreage when we got to that point, as far as we are concerned.

MR. THOMPSON: You ran out of leases, is that it?

A We had no place else to drill and as one Company we have been moving gradually to the West down-structure.

MR. SHEPARD: What Company do you represent?

A I represent The Pure Oil Company.

MR. SHEPARD: You're excused, then. Is the Gulf

here or The Texas Company?

COMMISSIONER THOMPSON: Is The Texas Company here?

MR. SHEPARD: I asked the general question. Is Gulf here?

MR. SELINGER: I might explain ---

COMMISSIONER THOMPSON: He wanted Texas or Gulf.

MR. SELINGER: I want to explain to both Commissions that our Company is the only Company that has production on both sides. None of the operators in the New Mexico side have production on the Texas side and none of the Texas operators have any production on the New Mexico side except Skelly.

COMMISSIONER THOMPSON: There is a Texas Company man.

MR. RAY: We are at the present time developing properties for Devonian, Drinkard, and Queens production on the New Mexico side. We have no leases on the Texas side.

MR. SHEPARD: You might buy a few there. That still don't alter the line.

MR. RAY: Not having my lease map, I ---

COMMISSIONER THOMPSON: Gulf man?

MR. DON WALKER: I don't establish the drilling policy of the Gulf Oil Corporation, but we have three or four rigs running in that area at this time and we will drill our wells on the locations in time.

MR. SHEPARD: As I say, the Gulf has drilled right up to the line, but you still don't want to cross the New Mexico line.

MR. WALKER: We don't operate in the Texas side; we are in the New Mexico side --- *Guadalupe*

MR. SHEPARD: You are the biggest producer in New Mexico and I am asking you why you don't cross that line. There must be some reason for it.

COMMISSIONER THOMPSON: You say you have three rigs running in New Mexico?

MR. WALKER: Three or four in that immediate area.

MR. RAY: Commissioner Shepard, I assume that this hearing is going to be recessed and to answer your particular question in regard ---

COMMISSIONER THOMPSON: Wait just a second. We will take a recess until 1:30. Be prepared to answer Mr. Shepard's question at 1:30.

AFTERNOON SESSION
1:30 O'CLOCK, P.M.,
OCTOBER 23, 1952

COMMISSIONER THOMPSON: Are we ready to proceed? Mr. Walker, you said you had three or four rigs drilling?

MR. WALKER: That's right. Several factors, of course, control our drilling policy and we are not in a position at this time to give you the reasons for not drilling or drilling. That's something that is established by many factors; namely, our budget for wild cat

development, availability of pipe and so forth.

COMMISSIONER THOMPSON: But have you drilled up to the line, drilled up to the Texas side and stopped at the New Mexico side?

MR. WALKER: We are drilling on the New Mexico side; that's the only place we have acreage in that area.

COMMISSIONER THOMPSON: You have none on the Texas side?

MR. WALKER: None on the Texas side, and as soon as we get one rig loose to complete a well, we move to another location and, as I say, I would like to have my Company furnish the Commission, if it pleases, reasons for not drilling faster or sooner.

COMMISSIONER THOMPSON: Furnish them to Mr. Shepard.

MR. WALKER: Fine.

COMMISSIONER THOMPSON: He says that satisfies him.

MR. SHEPARD: Thank you very much for your statement. That answers the question. General Thompson, you may proceed now.

COMMISSIONER THOMPSON: Does The Texas Company want to say something?

MR. WALKER: Before Mr. Dure finishes with his testimony, I have one question I would like to ask him.

Q (By Mr. Walker) The allocation formula on the Texas side, as I understand it, which you propose to apply to the Clearfork Field, is 75-25, is that right?

A The allocation formula in the Dollarhide field rules is 75-25, but -- I don't know whether I made myself clear or not -- personally, we wouldn't stand that that Order apply across the State line. We can't originally ask for 100 percent acreage in this particular instance.

Q The New Mexico allocation formula is 100 percent acreage and that is agreeable to you in the future?

A Yes, that would be agreeable to us.

COMMISSIONER THOMPSON: Which do you recommend?

A We are standing on the record that we recommend 100 percent; we would stand behind that recommendation and so make it here.

COMMISSIONER THOMPSON: Will you tell us why, 75 against 100 percent acreage? Why you favor 100 percent acreage?

A In the particular instance we are referring to here ---

COMMISSIONER THOMPSON: Dollarhide Field.

Q ---there does not exist any small tracts in the Dollarhide Field and that being the case and as it is in regular sections, our thought would be that the 100 percent acreage is a straightforward, simple means of applying it.

COMMISSIONER THOMPSON: By straightforward and simple, do you mean from a reservoir engineering standpoint, or from the economic standpoint? Management standpoint?

A From every ---

COMMISSIONER THOMPSON: You are a petroleum engineer, are you not?

A Yes, sir.

COMMISSIONER THOMPSON: Or a General Manager of the Company? Which?

A I am a petroleum engineer.

COMMISSIONER THOMPSON: You are testifying here as a petroleum engineer, as a scientist?

A As a petroleum engineer, and also as a representative of Pure Oil Company in this instance.

COMMISSIONER THOMPSON: You are taking in a lot of territory; I thought you were an engineer.

A I am, sir.

COMMISSIONER THOMPSON: You are so testifying as an engineer?

A That is correct.

COMMISSIONER THOMPSON: Will you tell me what should be done as an engineer, 100 percent acreage or 75-25? Without talking about money, now.

A All right, we'll take the money completely out of the subject.

COMMISSIONER THOMPSON: That's right, on your line of endeavor.

A In that particular instance, the reservoir -- particularly the two we're referring to are comparatively uniform in thickness, and that being the case, I firmly believe that

a straight acreage allocation plan would be equitable and would result in orderly and efficient drainage of the reservoir.

COMMISSIONER THOMPSON: I have one more question. Would that more nearly give to each owner his proportion of recovery, in proportion to his oil in place?

A Yes, sir, in the absence of small tracts.

COMMISSIONER THOMPSON: Well, what have the small tracts got to do with it? If he's got one acre, he's not entitled to more than one-one ---

A Well, I follow you. Excuse me, I put in economics, and I ---

COMMISSIONER THOMPSON: I thought you were a petroleum engineer.

A That's true.

COMMISSIONER THOMPSON: Engineers would do well to stay with their engineering and let the management come down and testify about the economics, unless you hope to be a manager, you can't do it with petroleum engineering. We're here talking about prevention of physical waste in the production of oil and/or gas.

A Yes, sir.

COMMISSIONER THOMPSON: Would you say a fellow with one acre should have one-fortieth of the man with forty acres, with the same thickness?

A With the same thickness ---

COMMISSIONER THOMPSON: Porosity and permeability?

A Porosity and permeability, his oil in place would be correctly reflected by one-fortieth.

COMMISSIONER THOMPSON: You couldn't say anything else and be true to your engineering, could you?

A That's correct.

COMMISSIONER THOMPSON: One-fortieth of forty, isn't it?

A That's correct.

COMMISSIONER THOMPSON: With the same acre per producing horizon?

A Correct.

COMMISSIONER THOMPSON: Any further questions? Anybody? Of this witness? Mr. Thompson wants his witness back.

(By Mr. Thompson) Mr. Dure, would the allowable of any well on the Texas side of the field be changed if you had 100 percent acreage formula in effect now as distinguished from 75-25?

A Yes, sir.

Q It would?

A It would be a very small change, but there would be a slight change.

COMMISSIONER THOMPSON: What would be that small change and whose acreage?

A The Pure Oil Company would suffer that change and they would lose approximately one-fortieth of the allowable on about 16 wells.

COMMISSIONER THOMPSON: What Company do you work for?

A The Pure Oil Company.

COMMISSIONER THOMPSON: And you are willing to punish your Company in order to be fair?

A Yes, sir.

COMMISSIONER THOMPSON: That's the way to be an engineer. Any further questions by anybody?

Q (By Mr. Ray) Mr. Dure, as I understand your recommendation, you have recommended that the MER established in Texas be applied to these reservoirs in the Clearfork and Devonian?

A That is correct.

Q And you have recommended the elimination of shut-down days for the Texas side?

A Yes, sir, I believe, as I stated, it would be a very equitable way to handle it.

COMMISSIONER THOMPSON: Unless you have shut-downs in New Mexico of an equal number?

A It would do the same thing.

COMMISSIONER THOMPSON: You could do that just as well?

A It could be done just as well.

COMMISSIONER THOMPSON: All you want to do is see that everybody gets a fair play.

A That's correct.

Q (By Mr. Ray) Would your Company have -- do you have any

recommendation as to how many necessary adjustments in those allowables would be made under that system?

A I beg your pardon, I don't quite follow you.

COMMISSIONER THOMPSON: How would you calculate it?

A How would you accomplish this?

COMMISSIONER THOMPSON: Calculate it.

A Calculate it?

COMMISSIONER THOMPSON: Say we run on 23 days in the next month, they run 31 days --- 30 days in November in New Mexico?

A One method of handling it would be to eliminate the shut-down days on the Texas side.

COMMISSIONER THOMPSON: Give everybody the same ---

A That's correct. The New Mexico side in that instance would have to except that portion of that field from their normal method of calculating allowables.

COMMISSIONER THOMPSON: Just make a flat allowable?

A Yes, sir.

COMMISSIONER THOMPSON: Not to exceed a maximum amount. Suppose a well can't make its allowable, how would you do that?

A It would be treated in the same way, in the manner we have treated wells with low capacities.

COMMISSIONER THOMPSON: And how would you do that?

A If its capacity is lower than the top allowable, it is only assigned its capacity.

COMMISSIONER THOMPSON: And the rest thrown back in the field to be made by other wells that can make it?

A That has not been our practice.

COMMISSIONER THOMPSON: I'm asking your recommendation.

A I wouldn't recommend it.

COMMISSIONER THOMPSON: I don't know anything about how to do this, I'm trying to find out from you.

A Yes, sir. We would recommend that they be assigned the same allowable that is assigned now to Texas wells.

COMMISSIONER THOMPSON: If they can't make it and you have an overage that does not produce, how would you handle the overage -- underage?

A Our recommendation on the underage would be that it is just lost.

COMMISSIONER THOMPSON: Just lost forever?

A Yes, sir.

COMMISSIONER THOMPSON: You give them an opportunity to make it and if they can't make it, it's just too bad. Nobody gets the benefit. Do those who can?

A No, sir.

COMMISSIONER THOMPSON: You don't throw it back and allocate it in the pool?

A No, sir.

COMMISSIONER THOMPSON: Any further questions of this witness? Mr. Selinger, don't you have a question?

MR. SELINGER: No, I have a witness.

COMMISSIONER THOMPSON: Any questions? Witness excused. Next witness?

MR. THOMPSON: General Thompson, that's all the witnesses The Pure Oil Company has to offer.

COMMISSIONER THOMPSON: Do you have any statement you wish to make?

MR. THOMPSON: Well, at the conclusion we would like to make a statement at the proper time.

COMMISSIONER THOMPSON: Who has other witnesses to offer?

MR. SELINGER: Skelly Oil Company.

COMMISSIONER THOMPSON: We are ready, Mr. Selinger. Whom do you have first? How many do you have?

MR. SELINGER: We have one now that we know so far.

Q (By Mr. Selinger) State your name.

A My name is Allen Ehlers.

Q And you are associated with what Company?

A Skelly Oil Company, Midland.

Q In what capacity?

A In the capacity of District Geologist, West Texas and New Mexico.

Q And as such, does the Skelly Oil Company operations in the Dollarhide Field of Texas and the West Dollarhide Field of New Mexico come under your direct jurisdiction?

A That's right, geologically.

Q Now, for this particular hearing, have you had occasion to make a special study of both of these areas?

A Yes, sir.

Q And you have prepared three exhibits, the first exhibit being marked Skelly Exhibit I; what is that exhibit?

A That is a structural map contoured on top of the Silurian-Fusselman producing formation. It is also essentially the top of the pay section.

Q That's a contour ---

COMMISSIONER THOMPSON: Can't you put it on the wall, so all these gentlemen can see it?

MR. SELINGER: Yes, sir.

Q (By Mr. Selinger) Now, referring to Skelly Exhibit I, that is a structure map of the contours on top of the Fusselman?

A That is correct.

Q And that indicates all of the Silurian or Fusselman wells on both sides of the State line, is that correct?

A That's right, all wells which have penetrated the Fusselman or deeper are on that map.

Q Now, Skelly Oil Company has operations in the Dollarhide Field proper in Texas and in the West Dollarhide Field in New Mexico, is that correct?

A Correct.

Q So that you have information not only on other operators' wells but detailed information on Skelly-operated wells on both sides of the State line insofar as the Silurian and

Devonian -- the Silurian and Ellenberger are concerned, is that correct?

A The same information on both sides.

Q Now, I see that you have a green line, a broken line, on both the Texas side and the New Mexico side; what does that green -- broken green line indicate?

A Speaking of Exhibit I, which is that Fusselman structural map, that's the oil-water contact, approximately; I say approximately, vertically, but horizontally on the map, practically speaking, you can say it's exact or very nearly so.

Q Now, how far apart are the nearest producing oil wells from the New Mexico side and the Texas side insofar as the Silurian or Fusselman production is concerned?

A Approximately one mile.

Q In your opinion, is it possible to get any Silurian or Fusselman production between those two water-oil contact points?

A I would say that the geologic evidence we have, which in my opinion is quite ample, it is highly improbable to have Fusselman production between those two green lines.

Q Is that information that you have available, is that based purely on theory or actual information from data on drilled wells?

A That's based on geologic data, engineering data, sample logs and electric logs, drill stem tests, cross-sections, maps, and what have you.

Q Are there any wells, either on the East side of the New Mexico portion of the Silurian or Fusselman or on the West side of the

Silurian or Fusselman production on the Texas side which indicates any limitation of production?

A Yes. First of all, on the New Mexico side, I should say we have about five wells providing us with oil-water contact data.

Q Will you name the wells insofar as, just as the section is concerned, not the name of the well, but where are the wells located, in what section?

A The most recent one is the Gulf No. 13-E, which would be in Section 4; there will be the -- I don't recall approximately -- the Northwest-Southwest -- Northwest area, that short section.

Q What other wells are there in the New Mexico side?

A One is the approximately diagonal Southwest offset well.

Q In Section 5?

A In Section 5, Southeast or Northeast.

Q Now, another well?

A The South offset to that is The Texas Company well in the Northeast -- Southeast of 5.

Q What additional wells now?

A Additional information as to the ---

Q Silurian or Fusselman?

A Silurian or Fusselman water table and possibility of production reported by the well in the Northeast-Southeast of Section 32, and again by the North offset to that, which would be the Southeast-Northeast of 32.

Q Those are the five wells you have there on the New Mexico

side?

A I didn't count them, but that -- there's another one I might add a half-mile North of that to make it six.

Q Do you have any similar instances like that on the West side of the Dollarhide Field in Texas?

A I believe we have a well in the Southeast and Northeast of Section 16. We have a North-South row of wells on the East side of Section 25 which gave us information.

Q Those four wells there?

A Four wells.

Q Now, go to what has been marked as Skelly Exhibit 2; now, what is that exhibit?

A That is a structural contour map on top of the Ellenberger formation and again, essentially it depicts the configuration on the top of the pay section.

Q How far apart are the Ellenberger producers from the Texas side and the New Mexico side, approximately?

A This -- I can't quite go -- the shortest distance is Northwest-Southeast; that would be about a mile and three-quarters.

Q The dotted green line indicated on this exhibit is the water-oil contact, is that correct?

A That is the oil-water contact in the Ellenberger formation.

Q In your opinion as a geologist, is there any chance of production -- is there any possibility of Ellenberger production between those two broken green lines?

A I would say it is highly improbable.

Q Do you agree with the Pure Oil Company geologist witness, Mr. Keener, with respect to his exhibit as a continuity of the -- of the discontinuity of the Silurian or Fusselman and the Ellenberger as to its oil production?

A Yes, I would agree that there is a discontinuity.

Q Referring to Skelly Exhibit No. 3, will you explain to the two Commissions what that exhibit is?

A Exhibit 3 is a West-East electrical log cross-section. That line of cross-section, as I read it from the map -- I don't know whether you all can see it -- but the left side of the cross-section is West. I might add the Westernmost well is the Elliott-Fusselman producer and then the cross-section extends Eastward to the apex of the original Dollarhide structure in Andrews County.

Q Now, does your cross-section in a general way agree with Mr. Keener's cross-section?

A Yes, I think so. Perhaps Mr. Keener's section is a little more generalized; it's on true scale. It would be impossible to show true scale on this one because of the use of the electrical logs. One inch vertically here equals 200'; horizontally, 500, instead of a one to one ratio.

Q Now, in comparing the two exhibits, I notice that there is a great similarity of blank white space as to the Silurian and Ellenberger between the New Mexico portion and the Texas portion. Is there any thought in your idea that that white space would be filled-in with Ellenberger or Silurian producers?

A Well, in my mind there will be no Ellenberger and Fusselman oil in that space, that is, between those three lines here (Indicating), which would be right here in the cross-section (Indicating), highly improbable.

MR. SELINGER: I believe that's all we have of this witness.

COMMISSIONER THOMPSON: Any questions? Mr. Spurrier, do you have a question?

MR. SPURRIER: No.

COMMISSIONER THOMPSON: Mr. Shepard?

MR. SHEPARD: No, sir.

COMMISSIONER THOMPSON: Any questions from any party? Mr. Thompson?

Q (By Mr. Thompson) Mr. Ehlers, have the withdrawals from the Silurian and Ellenberger reservoirs in Texas had any effect on the pressures as you all found them in those two reservoirs?

MR. SELINGER: Just a minute, this man is a geologist, not an engineer.

COMMISSIONER THOMPSON: You are going to have an engineering witness?

MR. SELINGER: No, we don't ---

COMMISSIONER THOMPSON: If he happens to know through his own geological work; do you happen to know anything about the reservoir, engineering?

A No, I don't.

COMMISSIONER THOMPSON: You don't have to testify

about something you're not qualified to do.

A I have enough problems trying to be a geologist without being an engineer.

COMMISSIONER THOMPSON: Unless it's in his own

line. You might be a geologist and an engineer.

A I suppose as a geologist you have to assimilate some engineering, but I haven't assimilated that much.

COMMISSIONER THOMPSON: If you don't feel qualified

to answer, you don't have to ---

A I don't feel qualified to answer.

COMMISSIONER THOMPSON: Have you noticed any draw-

down?

A I wouldn't know.

COMMISSIONER THOMPSON: He doesn't know. Perfect

answer, if you don't know.

Q (By Mr. Thompson) Mr. Ehlers, does your Company have any pressure information on its wells in New Mexico in these two reservoirs that haven't been turned in to the Engineering Committee or to the respective Commissions?

A Again, I wouldn't know; it's just another Department.

MR. THOMPSON: That's all.

COMMISSIONER THOMPSON: Doesn't that come within

the purview of your employment?

A No, sir, that's out of the jurisdiction of my duties with Skelly Oil Company.

COMMISSIONER THOMPSON: He doesn't know, Mr. Thompson.

MR. THOMPSON: That's all.

COMMISSIONER THOMPSON: Any other questions? We've kept our record pretty straight by keeping the witness right on what he knows. Any question by anybody? The witness is excused. Any other witness?

MR. SKELINGER: We would like to offer in evidence Skelly's Exhibits I to 3.

COMMISSIONER THOMPSON: Do I hear any objection? Without objection, they will be admitted. I hear no objection; they will be admitted in the record. Any further witnesses?

MR. SHAVER: No witnesses, but I would like to make a statement. I'm Charles Shaver, representing Humble Oil & Refining Company and I would just like for the record to show that we agree with the position and the recommendations that have been made today by The Pure Oil Company.

COMMISSIONER THOMPSON: In particular, what do you agree with?

MR. SHAVER: With the equal withdrawals from the two reservoirs that are common to both States. We feel that the Commissions should take joint action at this time to allow equal withdrawals from the Clearfork and the Devonian reservoirs that are common to both New Mexico

and Texas.

COMMISSIONER THOMPSON: How about these two lower ones?

MR. SHAVER: I don't have -- I'm not qualified to speak, but according to what my people have told me ---

COMMISSIONER THOMPSON: Which people?

MR. SHAVER: The Humble.

COMMISSIONER THOMPSON: Who told you in the Humble?

MR. SHAVER: Well, I can get an engineer up here.

COMMISSIONER THOMPSON: I just wanted to know what authority you have for speaking. Did Mr. Baker tell you?

MR. SHAVER: No, sir. We have an MER Proration Committee, of which Mr. Hubbard is a member here, and two or three other employees and it was the conclusion of that group at this time that we don't have sufficient information to determine the Silurian and the Ellenberger -- that they are continuous reservoirs.

COMMISSIONER THOMPSON: And you have no recommendation as to them?

MR. SHAVER: We have no recommendation as to them. That's the reason I confined my recommendation to the Clearfork and Devonian.

COMMISSIONER THOMPSON: Now about the acreage? How much do you think it would draw down, one to 40?

MR. SHAVER: We would go along with the recommenda-

tion of Pure here on the 40 acre ---

COMMISSIONER THOMPSON: You say you go along?

MR. SHAVER: We are in agreement.

COMMISSIONER THOMPSON: You are in hearty agreement, enthusiastic agreement?

MR. SHAVER: We are in complete agreement.

COMMISSIONER THOMPSON: Why?

MR. SHAVER: Sir, I'll have to bring witnesses to support those reasons. I don't feel --

COMMISSIONER THOMPSON: You find nothing to differ with them, you mean?

MR. SHAVER: We find nothing to differ, yes, sir.

COMMISSIONER THOMPSON: I'm trying to help you.

MR. SHAVER: Thank you, sir.

COMMISSIONER THOMPSON: How about the 100 percent acreage allocation?

MR. SHAVER: We are in agreement with that, too, sir.

COMMISSIONER THOMPSON: And the extra allowable for the overage on the last tract?

MR. SHAVER: Yes, sir.

COMMISSIONER THOMPSON: What do you understand by that?

MR. SHAVER: That that -- I think as you stated this morning, that if you have twenty acres left over -- I don't think it's that high in this field -- that you would not

have to drill a well but you would be allowed to get an additional allowable for that additional acreage.

COMMISSIONER THOMPSON: Credit for that additional acreage?

MR. SHAVER: Yes, sir.

COMMISSIONER THOMPSON: Without having to drill it?

MR. SHAVER: Yes, sir.

COMMISSIONER THOMPSON: You think it would drain that acreage as effectively as 40, even though it went off at an angle?

MR. SHAVER: I don't believe I'm qualified to speak on that.

COMMISSIONER THOMPSON: I think you're right on that. Anything else you wish to say?

MR. SHAVER: No, sir. Thank you.

COMMISSIONER THOMPSON: Anyone else wish to make a statement?

MR. KEELER: E. P. Keeler, Magnolia Petroleum Company. We made a study of the field rules in effect both in New Mexico and in Texas in regard to the Dollarhide reservoirs to find wherein they differed and found out that the three principal differences were, in the case of the allowables assigned, in the case of the minimum footage requirements in regard to the location of wells, and, thirdly, in regard to the allocation formula and we have here a set of recommendations.

We will attempt to recommend a uniform set of rules that might apply to the reservoirs on both sides of the State line.

COMMISSIONER THOMPSON: Will you read them?

MR. KEELER: The first point -- they're not really detailed rules, they are certain points in regard to the rules now in effect. First, that the present status of the Silurian or Fusselman and Ellenberger reservoirs be maintained, that no changes be made whatsoever.

Second, that field rules be adopted for the Dollarhide Clearfork field in Texas identical with those in effect for the other Texas Dollarhide reservoirs with the exception that the allocation formula be changed to 100 percent acreage.

Third, that the field rules applying to the Dollarhide Devonian Field in Texas be amended to provide for a 100 percent acreage allocation formula. The attempt in both of those cases is to make the allocation formula the same as it is in New Mexico.

Fourth, in regard to the spacing of wells, I might point out that in New Mexico it is permissible to drill 330' from lease lines, whereas in Texas under the Dollarhide rules, the minimum required distance is 550', and since there would be a chance that unequal offsets might develop along the State line, our fourth point was that neither State's Regulatory Body permit future wells to be

drilled to the Clearfork or Devonian reservoirs at a distance of less than 660' from the State line. Exceptions to this rule may be granted only after a joint hearing before both Commissions. Our thought in regard to that was that once you get away from a line of wells directly along the State line, each side could keep their own rules, but at least a rule of this type would prevent, say, a 660 well already drilled in Texas being offset by a 330 well in New Mexico.

COMMISSIONER THOMPSON: To prevent drainage?

MR. KEELER: To prevent drainage across lease lines, if the allowable is the same. If one well is 330 from a lease line and its offset is 660, there would be a tendency for drainage in favor of the well that's 330 from the lease line.

COMMISSIONER THOMPSON: Couldn't that be cured by the field's drilling on 330?

MR. KEELER: That's right, but there are several wells already drilled 330 from the lease line that have not been offset in New Mexico. That's what we were thinking of.

COMMISSIONER THOMPSON: It will prevent unnecessary drilling?

MR. KEELER: Not necessarily unnecessary drilling; there would still be one well to 40 acres, but trying to keep from crowding the State line is the idea we had in

mind and prevent drainage, assuming that both have the same allowables. If they are the same distance from the line, then there would be no claim for drainage.

Fifth, that the Texas portion of the Clearfork and Devonian reservoirs be exempted from shut-down days.

COMMISSIONER THOMPSON: To conform with the New Mexico practice?

MR. KEELER: That's correct, yes, sir.

COMMISSIONER THOMPSON: How would you explain that to the other fields in Texas?

MR. KEELER: Well, I realize that the usual reason for exempting a field from shut-down days is because of producing characteristics, large volumes of water or something of that type where damage might occur, waste might occur, if the wells cannot produce every day. That would not be the case here, but it would seem to me that the fact that it is an effort to reach a compromise between the two States and since there are no shut-down days applied in New Mexico, that the problem would resolve itself to one of two solutions: Either exempt shut-down days in Texas or else in New Mexico each month, when Texas decides how many shut-down days they would have, to work out that calculation of 23-30, which would be troublesome for them.

COMMISSIONER THOMPSON: It would be better for us to meet the New Mexico schedule.

MR. KEELER: Exempt in regard to ---

COMMISSIONER THOMPSON: In regard to this field,

MR. KEELER: You mean in regard to exempting the field from shut-down days?

COMMISSIONER THOMPSON: Yes, is that what you recommend? What would you do with the next field Eastward?

MR. KEELER: The next field Eastward?

COMMISSIONER THOMPSON: Yes, another field, like Slaughter or Keystone?

MR. KEELER: Unless they cross the State line, I believe there is no necessity for that, for this reason; granted there may be other reasons, like large volumes of water production or some other reason that they might be exempt from shut-down days, but this is a peculiar reason of itself, in that it is an effort to compromise between the two Commissions.

COMMISSIONER THOMPSON: Go ahead. Any more reasons?

MR. KEELER: Six, that the top per well allowables assigned Clearfork, Devonian wells in Texas be established at 70 bbls. of oil per day for the Clearfork and 75 bbls. of oil per day for the Devonian. These recommended allowables would be approximately the same as the present calendar day allowables in effect. In other words, the recommendations that some of the other operators have made today were to continue the current allowables in Texas and exempt the field from shut-down days, which, in effect,

would be an increase in production in Texas.

COMMISSIONER THOMPSON: This barrel-wise would be the same?

MR. KEELER: This way it would be the same as you now produce under shut-down days. In other words, after looking at the reservoir performance, I would say that the ---

COMMISSIONER THOMPSON: Wouldn't that be an answer, that barrel-wise there would be no difference?

MR. KEELER: That's right. We feel that an increase would not be justified at this time. And, seventh, that the New Mexico Commission change the allowables assigned New Mexico wells in the Clearfork, or rather Drinkard in New Mexico, and Devonian reservoirs to make them identical with those assigned in Texas.

COMMISSIONER THOMPSON: I thought you were making ours identical with theirs at first.

MR. KEELER: I was from the standpoint of shut-down days. We exempt shut-down days in Texas, but insofar as the assigned allowable is concerned, their allowables are reduced to be the equivalent of Texas' under this recommendation.

COMMISSIONER THOMPSON: So both States do a little something to adjust?

MR. KEELER: That was our idea. In other words, we looked at these three basic reasons and decided that

compromise on this could be that one State would give in regard to the allocation formula, the other State would give in regard to allowables, and in respect to spacing of wells, it's sort of giving on both parts.

COMMISSIONER THOMPSON: We want to do what is right reservoir-wise, not produce more than the reservoir ought to produce, at the most efficient rate. Would that still accomplish that?

MR. KEELER: Yes, it would. We would rather not see an increase in the present calendar day rate of production in Texas. I believe those are all the recommendations we have.

COMMISSIONER THOMPSON: Anyone else? Any questions?

MR. MACEY: The present allowable in Devonian in New Mexico is 135 bbls.; would you recommend the lowest of 75 bbls.?

MR. KEELER: I did, yes, sir.

MR. MACEY: And the Drinkard from 80 to 70?

MR. KEELER: That's correct, yes, sir.

COMMISSIONER THOMPSON: Any questions? Mr. Thompson has a question.

MR. THOMPSON: Do I understand your position to be that if these two reservoirs are produced -- if the wells in these two reservoirs are produced at the rates at which the New Mexico wells are producing that waste will take place in them?

MR. KEELER: Let me put it this way, I think the answer to that question, as far as I am concerned, under primary recovery is no, that waste will not occur.

MR. THOMPSON: We're under primary recovery now.

MR. KEELER: We are now, yes, sir.

COMMISSIONER THOMPSON: That ends it then, if no waste is occurring.

MR. KEELER: I don't believe any waste would occur.

COMMISSIONER THOMPSON: He said no waste would be occurring now. We're not talking about in futuro.

MR. KEELER: May I add one thing to that, another reason? Granted that I do not believe waste will occur at those higher rates, but I would like to say that quite a bit of work has been done for the past several months on a Joint Committee of the operators in Texas trying to work out a plan of unitization and pressure maintenance for the Dollarhide Devonian reservoir.

COMMISSIONER THOMPSON: Are you losing pressure now?

MR. KEELER: The pressures are declining rapidly, yes, sir.

COMMISSIONER THOMPSON: Alarmingly?

MR. KEELER: I don't know what the definition of "alarmingly" would be.

COMMISSIONER THOMPSON: That which would cause an ordinary, prudent petroleum engineer or reservoir engineer to become alarmed.

MR. KEELER: No, sir, I'll go along with Mr. Thompson on that, that insofar as primary recovery is concerned, I think you will get just as much oil at those higher rates.

COMMISSIONER THOMPSON: At the moment?

MR. KEELER: Yes.

COMMISSIONER THOMPSON: For how long?

MR. KEELER: I think ultimately you will, under primary; in regard to pressure maintenance is what bothers me. I think you will do better ultimately under pressure maintenance. If you have a chance to start a pressure maintenance project while the pressure is at a higher level and for that reason I would like to decline -- make the rate of decline as slow as possible until such time as our studies can be completed and it is decided whether or not pressure maintenance is feasible and, if so, we can get ahead with the project.

COMMISSIONER THOMPSON: Are you seriously considering a pressure maintenance project for the Dollarhide?

MR. KEELER: I'm not on that Committee; we have a man that's here on the Committee. I do know this, the Committee has worked on it for several months. I understand they have just about now finished a report on it and the report is yet to be studied and no decision has been reached that I know of as to whether it is feasible, but certainly we have been working hard at it for several

months.

COMMISSIONER THOMPSON: We will be available any time you are ready to make your report, the two Commissions, I'm sure.

MR. KEELER: I wanted to bring that out to explain that the reason we recommend these lower allowables is not that we think waste will occur under primary, we think it might be a help in the event we go to pressure maintenance ultimately, that the additional oil to be recovered under pressure maintenance might be greater if we can keep those pressures from declining at so rapid a rate.

COMMISSIONER THOMPSON: Personally, I think that that is a very wise forward look. You want to save the pressure before it's gone?

MR. KEELER: That's right, yes, sir.

COMMISSIONER THOMPSON: It's easier to keep a person alive than it is to revive the dead, isn't it?

MR. KEELER: That's right.

COMMISSIONER THOMPSON: Any questions of this witness by anyone?

MR. WALKER: I believe Pure recommended 91 for the Clearfork and is it 92? -- whatever it is, for the Clearfork, and 100 for the Devonian?

MR. KEELER: Yes, sir.

MR. WALKER: And you feel that the 70-75 is a better

figure?

MR. KEELER: Yes, I do, both of those being exempt from shut-down.

COMMISSIONER THOMPSON: Any other questions?

MR. FRANK ELLIOTT: I would like to know if you feel that in the past four years that the Clearfork has been on production in Texas, whether you feel you have been draining oil from New Mexico, if you feel that the formation is that continuous across the line?

MR. KEELER: You're talking about the Clearfork now?

MR. ELLIOTT: Clearfork or Devonian, either one.

MR. KEELER: In regard to the Devonian, let me repeat; the question is has there actually been drainage across the line?

MR. ELLIOTT: That's right, if those wells over there that have been on production -- the discovery well was in 1945 -- that's six years, but say you've been on production four years, do you feel like you've been draining oil across the line for the past year since your wells have been on production?

MR. KEELER: I imagine there has been some drainage across the line. I understand that the first wells completed in the Devonian reservoir in New Mexico had abnormally low pressures, that is, higher than the Devonian in Texas, but lower than you would ordinarily expect in a virgin reservoir.

MR. ELLIOTT: If that is the case, for an equitable take, New Mexico operators should be allowed a lead to catch up?

MR. KEELER: In answer to that, let's suppose the State line wasn't there. Isn't it more of a problem of getting out and developing the reservoir and whether or not you get in and drill the wells? If the State line weren't there, the chances are you would wait until development came out there before you drilled anyway, and certainly if it were in the same State, you wouldn't give those late wells a special allowable. I don't see why that should be applied here, just because it's across the State line.

MR. ELLIOTT: That comes back to the question of whether they do tie up to the extent that there is drainage.

COMMISSIONER THOMPSON: Any other question of the witness? I believe that's all. Thank you very much. Anyone else wish to make a statement?

MR. UPCHURCH: My name is Claude E. Upchurch, representing Gulf. Gulf is one of the operators in the West Dollarhide Field in New Mexico. So that the record might reflect its position, we would like to concur in the recommendation made by Pure, particularly the recommending that the present 100 percent acreage allocation formula in New Mexico be retained so that units having

in excess of 40 acres acreage might get their proportionate part of the allocated allowable.

COMMISSIONER THOMPSON: You are making that recommendation for both States?

MR. UPCHURCH: We don't operate in Texas in this field.

COMMISSIONER THOMPSON: So far as your operation is concerned, you want to retain it?

MR. UPCHURCH: Yes, sir.

COMMISSIONER THOMPSON: Wouldn't it be fairness for it to be the same on the other side?

MR. UPCHURCH: Yes, sir.

COMMISSIONER THOMPSON: If you had wells over there, would your recommendation be the same?

MR. UPCHURCH: Yes, sir.

COMMISSIONER THOMPSON: On the Texas side?

MR. UPCHURCH: Yes, sir.

COMMISSIONER THOMPSON: Any questions of this gentleman? I believe Mr. Shepard wanted to know why you didn't operate in New Mexico. You said you had four rigs running?

MR. UPCHURCH: I believe that's what Mr. Walker stated, that we had three or four rigs running.

COMMISSIONER THOMPSON: Did you get any additional data during the noon hour that you wish to report?

MR. UPCHURCH: No, sir, Mr. Walker stated that we

would get that information and furnish it to the Commission in New Mexico.

MR. SHEPARD: Thank you.

COMMISSIONER THOMPSON: Anyone else have a statement?

MR. RAY: Carl Ray, for The Texas Company. Before making my statement, I would like to inquire of Commissioner Shepard whether your question as to drilling along the State line was satisfactorily answered.

MR. SHEPARD: It was. I asked a general question and I got a general answer, so thank you.

MR. RAY: For your information, Commissioner Shepard, I have prepared a plat on which The Texas Company leases in this area are colored and in reply to your question, I would like to show that we have only one lease, our Penny lease, which adjoins the State line. Our development on that lease has been from the structural high and we are proceeding down the flank of the structure. We are contemplating at the present time drilling the third well on the lease which will adjoin the State line. As you can see, there is a portion of lot acreage in that lease, and, of course, under the New Mexico regulations, unitization would be necessary before drilling could begin on that particular acreage.

COMMISSIONER THOMPSON: Do you have any further statement?

MR. RAY: Yes, sir. In regard to the allowable figures that have been recommended at this hearing, The Texas Company wishes to support the recommendation of the 92 bbl. figure for the Clearfork and the 100 bbl. figure for the Devonian. It is our understanding that these figures reflect the MER as set for these fields by the Texas Commission. We think that the recent suggestion of a cut to 70 bbls. for the Clearfork and 75 for the Devonian is unwarranted and was not supported by sufficient evidence. I think it has been shown that no damage would occur at the higher rates.

In regard to the establishment of rules for this field, we would like to make the request of both Commissions that this matter be treated as a unique situation and that the final Order, when issued, reflect the adopted rules as they pertain to a field which crosses the State line.

It is our opinion that in that manner the development of an embarrassing precedent applying to other fields in either State may be avoided.

COMMISSIONER THOMPSON: We can say then that when we bring in a field that crosses the State line, we would look at it like we did this one.

MR. RAY: I think that that would be the most satisfactory method of handling this problem.

COMMISSIONER THOMPSON: It's a Solomonian decision,

is that the idea of bringing in a Solomonian decision?

MR. RAY: There is a great deal of difference between the manner of regulating production in New Mexico as compared with Texas.

COMMISSIONER THOMPSON: Would you give any views as to which is the better?

I withdraw the question.

MR. RAY: I would answer that by -- these people that have seen the Texas regulations, we have a book about so thick (Indicating); the Statewide restrictions are this thick (Indicating), and the exceptions fill the rest of the book. New Mexico still has all theirs in one book, and the exceptions are relatively small.

COMMISSIONER THOMPSON: I think I get the point. All right. We've got too much regulations.

MR. RAY: It's a matter of different procedure, I think, General.

COMMISSIONER THOMPSON: I think what you mean is that New Mexico has some rules and fields in both States; you think here is one time that Texas would be friendly and cooperative and adopt New Mexico rules; is that the idea?

MR. RAY: I think it will be necessary for both Commissions to study this problem and there will undoubtedly be deviations from the general methods applied.

COMMISSIONER THOMPSON: You do hope that we can

arrive at a common Order, that the Order be the same on both sides?

MR. RAY: I think so.

COMMISSIONER THOMPSON: I mean common, both alike.

MR. RAY: We believe that would be in the equity -- in the interests of the operators, yes, sir.

COMMISSIONER THOMPSON: And in the interests of both States?

MR. RAY: Yes, sir.

COMMISSIONER THOMPSON: Why? Greater ultimate recovery?

MR. RAY: I think that it is in the -- the interest has already been evidenced by the fact that both States have recognized the problem by calling this hearing.

COMMISSIONER THOMPSON: We're here, aren't we?

MR. RAY: You are interested in protecting the equities in the properties that are concerned in this hearing. Will that answer your question?

COMMISSIONER THOMPSON: That answers my question perfectly. Mr. Shepard has a question.

MR. SHEPARD: Wouldn't you think it would probably be better if Texas would shut-in until New Mexico caught up?

MR. RAY: I think that there is enough information in the record that pertains to that problem.

MR. SHEPARD: Don't you think there is equity in the

question?

MR. RAY: I think there is.

COMMISSIONER THOMPSON: Do you know how many days Texas shuts-in each month?

MR. RAY: Yes, sir.

COMMISSIONER THOMPSON: How many?

MR. RAY: There will be 23 producing days -- there are 23 producing days in this month.

COMMISSIONER THOMPSON: How many days in the month?

MR. RAY: There is 31.

COMMISSIONER THOMPSON: And you subtract 23 from 31 and what do you arrive at?

MR. RAY: You have 8 days, shut-in.

COMMISSIONER THOMPSON: Have we been doing that right along?

MR. RAY: Yes, sir.

COMMISSIONER THOMPSON: Isn't that shut-in, 8 days?

MR. RAY: Yes, sir.

COMMISSIONER THOMPSON: And how many months has that been going on? Add that up.

(Laughter). Go ahead.

MR. RAY: Our point is that it will be necessary for the Commissions to meet and to form the regulations for this field.

COMMISSIONER THOMPSON: Give and take.

MR. RAY: And that, we feel, is a matter between the Commissions.

COMMISSIONER THOMPSON: We are just umpires. It isn't our oil. We're just umpires trying to do the best we can for you operators, so you must tell us when it's a ball and when it's a strike and then argue with us when we say what it is. What do you recommend we do, actually?

MR. RAY: I think that this matter can best be handled, as has been suggested, by the adoption of the Texas field of the 100 percent acreage allocation ---

COMMISSIONER THOMPSON: Spacing?

MR. RAY: The 40 acre spacing.

COMMISSIONER THOMPSON: Allowables?

MR. RAY: I think the matter of allowable is one of the points that will require arbitration between the two Commissions.

COMMISSIONER THOMPSON: Who is going to arbitrate it, the Federal Government?

MR. RAY: The two Commissions.

COMMISSIONER THOMPSON: Arbitration means somebody else do it. Give and take.

MR. RAY: There is testimony in the record from the operators on this point.

COMMISSIONER THOMPSON: We're making the record here now on which we are to make a decision. If you were to make it, how would you make it on allowable? I'm asking your counsel and advice, for both of these Commissions.

MR. RAY: Being a New Mexico operator in this area,

we are satisfied with the New Mexico allowable.

COMMISSIONER THOMPSON: You like the New Mexico allowable?

MR. RAY: We will not object to the adoption of the 92 and 100 bbl. MER suggestions that have been proposed. Of the two, we prefer the New Mexico allowable, of course.

COMMISSIONER THOMPSON: All right. Any question of this gentleman?

MR. THOMPSON: How do you feel about periodic pressure surveys?

MR. RAY: It is the policy of this Company to take periodic pressure surveys whether they are required by Commission Bodies or not.

COMMISSIONER THOMPSON: Then it would be no burden on you to take it?

MR. RAY: It would be no burden. We think it would serve an useful purpose for the tests to be made of public record.

COMMISSIONER THOMPSON: Would the months mentioned by the previous witness be convenient to you, May and November?

MR. RAY: As far as I know, they would, yes, sir.

COMMISSIONER THOMPSON: Would you let us know, would you check up and see if any other date would be more convenient?

MR. RAY: If we have another recommendation, we will submit it, yes, sir.

MR. SHEPARD: You believe, then, that adopting the New Mexico allowable would be the solution of the Dollarhide Field?

MR. RAY: The only question in my mind is that if they are adopted, that if the New Mexico allowables are adopted in this field, they would provide for a fluctuation in the oil produced from this area. If the recommendations of the Texas MER are adopted, the daily production would be the same under the provisions that have been recommended here today.

COMMISSIONER THOMPSON: You mean New Mexico would get the same amount of barrels?

MR. RAY: In either case, the same amount of barrels would be produced on each side of the line.

COMMISSIONER THOMPSON: For each 40 acres?

MR. RAY: Yes, sir. If, for example, the 100 bbl. figure is adopted, that would be 100 bbls. per day in January of 1952, for example, and in December of 1952. It would be inflexible in the total amount of oil produced except as affected by the productivity of the wells.

COMMISSIONER THOMPSON: Give everybody a chance to produce all they could?

MR. RAY: Well, no, you would have a ceiling on it.

COMMISSIONER THOMPSON: Give them a chance and op-

portunity.

MR. RAY: That's correct.

COMMISSIONER THOMPSON: Anyone have a question of this gentleman? Anybody else have a statement to make? Anyone?

MR. MASSEY: My name is H. E. Massey, District Engineer out of Hobbs, New Mexico, representing Cities Service Oil Company, or, as operators in this field, Cities Production Corporation. We happen to operate solely in the three North sections of the Dollarhide Field in Texas and no production or acreage on the New Mexico side.

Therefore, we are only interested, in my statements, concerning the Clearfork and Devonian zones. We have no production in the Silurian or Ellenberger. We will agree with Pure, after ourselves having made an engineering study of the reservoir -- we are convinced that the two upper zones, Devonian and Clearfork, are one continuous reservoir, regardless of the State line.

Therefore, we think that the allowables should be the same. We want to recommend allocation on a 100 percent acreage basis; 40 acre well spacing, and also it seems desirable that field rules should be established for the Clearfork.

We are also in agreement with taking bottom-hole pressure surveys semi-annually both in Texas and in New Mexico. The dates seem agreeable; I think it should be coordinated

with the present Dollarhide gasoline plant in regard to possible spreading of the gas load to the plant.

For allowables, I believe we will recommend that it should be 91 bbls. per day for the Clearfork, 100 bbls. per day for the Devonian. That is also on the assumption that Texas removes the effects of the producing days. That would then be, you might say, a calendar day basis. I believe that after several years of operation on the Texas side, there has been nothing to prove that the MER as established, of 91 and 100, has been wrong or false. There is no information that says we should change it. Therefore, we recommend the same, 91 and 100 bbls.

COMMISSIONER THOMPSON: Any questions?

MR. SHEPARD: No, sir.

MR. SPURRIER: No, sir.

COMMISSIONER THOMPSON: Anyone have a question?

Thank you very much, sir. Anyone else have a statement to make? Anybody?

Mr. Spurrier has a telegram.

MR. SPURRIER: I have a telegram from J. E. Low, Amerada Petroleum Corporation. "Urge State line pools accept present New Mexico method of determining allowable, believing such allowables will protect correlative rights and will not result in physical waste."

COMMISSIONER THOMPSON: Signed?

MR. SPURRIER: Signed J. E. Low.

COMMISSIONER THOMPSON: This morning we gave opportunity to everyone to fill out an appearance blank. If you want your name in the record so you can prove you were here, we have those blanks up here, if there be anyone that did not sign up this morning. We will put your name in front of the transcript; it don't cost a cent. It will show you were here by just filling out a blank, and give it to the Court Reporter. They are available.

Mr. Thompson, you have a statement?

MR. THOMPSON: I don't have anything further to say.

COMMISSIONER THOMPSON: You first said that you wanted to.

MR. THOMPSON: I did, but it might be duplication of what has been said.

COMMISSIONER THOMPSON: Anyone else wish to withdraw their statement? (Laughter) I'll correct that. Is there anyone that does not wish to make a statement?

As I have said several times, speaking for the New Mexico Commission and for the Texas Commission, we are truly and only umpires. We are not Bureaucrats. We seek to administer the law as written and not to reach out into the ether and try to hang our authority on some idealistic star in the New Deal firmament, so we will try to stay with the record and we will write an Order based

on this record.

Anyone else have anything to say? The meeting is
adjourned. Thank you very much.

HEARING ADJOURNED

THE STATE OF TEXAS

COUNTY OF TRAVIS

I, Ray Pardue, Official Reporter, Oil and Gas Division,
Railroad Commission of Texas, do hereby certify that the above
and foregoing ninety-one pages constitute a true and correct
transcript, to the best of my ability, of the testimony and pro-
ceedings heard in Midland, Texas, on October 23, 1952, pertaining
to the Dollarhide Clearfork, Dollarhide Devonian, Dollarhide
Ellenberger and Dollarhide Silurian Fields, Andrews County,
Texas.

WITNESS MY HAND, this the 27th day of October, A. D.,
1952.

Ray Pardue

OFFICIAL REPORTER, OIL AND GAS DIVISION,
RAILROAD COMMISSION OF TEXAS.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF CONSERVATION
AND PREVENTION OF WASTE OF
CRUDE PETROLEUM OIL AND NATURAL
GAS IN THE WEST DOLLARHIDE-DRINKARD,
WEST DOLLARHIDE-DEVONIAN, WEST DOLLAR-
HIDE FUSSELMAN AND WEST DOLLARHIDE-
ELLENBURGER POOLS IN LEA COUNTY,
NEW MEXICO.

CASE NO. 408
Order No. R-265-A

NUNC PRO TUNC ORDER OF THE COMMISSION

It appearing to the Commission that the order heretofore entered in the above-mentioned cause is not a correct statement of fact and intent, inasmuch as Paragraph 3 under the heading It Is Therefore Ordered, states:

That for the West Dollarhide-Fusselman and West Dollarhide-Ellenburger Pools in New Mexico bottom-hole pressure tests of all wells in each pool be, and the same hereby are required to be taken during the months of February and March of each year beginning 1953, and the results immediately furnished to the Commission for such action as may be proper.....

when it should have been shown as:

That for the West Dollarhide-Fusselman and West Dollarhide-Ellenburger Pools in New Mexico bottom-hole pressure tests of all wells in each pool be, and the same hereby are required to be taken during the months of February and August of each year beginning 1953, and the results immediately furnished to the Commission for such action as may be proper.

IT IS THEREFORE ORDERED:

That Order R-265, heretofore entered and distributed by this Commission under date of February 27, 1953, be and the same hereby is corrected to conform to the actual intent of the Commission, and that Paragraph 3 as mentioned be corrected to read as follows:

That for the West Dollarhide-Fusselman and West Dollarhide-Ellenburger Pools in New Mexico bottom-hole pressure tests of all wells in each pool be, and the same hereby are required to be taken during the months of February and August of each year beginning 1953, and the results immediately furnished to the Commission for such action as may be proper.

And said Order R-265 in all other respects is hereby ratified and confirmed.

IT IS FURTHER ORDERED:

That this order correcting the record of said order be entered

-2-

Case No. 408

Order No. R-265-A


nunc pro tunc as of February 27, 1953, to conform with issuance date of
original order.

DONE this 19th day of May, 1953.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


R. R. SPURRIER, Secretary

SEAL

10408
Railroad Commission of Texas

OIL AND GAS DIVISION



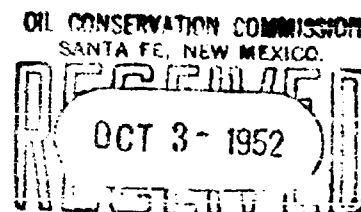
AUSTIN, TEXAS

September 30, 1952

COMMISSIONERS
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HARRY M. BATES
CHIEF SUPERVISOR
ARTHUR H. BARBECK
CHIEF ENGINEER
L. E. DAVIS
AUDITOR

Mr. R. R. Spurrier
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico



Dear Dick:

We have just been advised by the Scharbauer Hotel at Midland that facilities are not available in that hotel for our joint hearing to be held October 7, 1952. We have, therefore, contacted and secured approval to hold the hearing in the City Hall at Midland, Texas on that day. We will, also, see that the bulletin board in the Scharbauer Hotel will reflect where the hearing is to be held.

Kindest personal regards and am looking forward to seeing you at Midland.

Yours very truly,

Arthur
Arthur H. Barbeck,
Chief Engineer

AHB:cbr

DOMESTIC SERVICE
Check the class of service desired; otherwise this message will be sent at full rate telegram

FULL RATE TELEGRAM	
DAY LETTER	NIGHT LETTER

WESTERN UNION

W. P. MARSHALL, PRESIDENT

INTERNATIONAL SERVICE
Check the class of service desired; otherwise this message will be sent at the full rate

FULL RATE	<input checked="" type="checkbox"/> LETTER TELEGRAM
VICTORY LETTER	SHIP RADIOGRAM

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
			State of New Mexico OIL CONSERVATION COMMISSION	

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Chairman Olan Culberson
Texas Railroad Commission
Tribune Bldg.
Austin, Texas

New Mexico Commission monthly hearing on October 15. Unable to make Midland hearing on October 14. Suggest October 21.

R.R. Spurrier
DIRECTOR

Case 408

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

- To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unreported message rate is charged in addition. Unless otherwise indicated on its face, this is an unreported message and paid for as such, in consideration whereof it is agreed between the sender of the message and this Company as follows:
1. The Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unreported-message rate beyond the sum of five hundred dollars, nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the reported-message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.
 2. In any event the Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is received for transmission, and unless the repeated-message rate is paid or agreed to be paid, and an additional charge equal to one-tenth of one percent of the amount by which such valuation shall exceed five thousand dollars.
 3. The Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.
 4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Company, the amount paid for the transmission of a domestic telegram or an international telegram or radio message covers its delivery within the following limits: In cities or towns of 5,000 or more inhabitants where the Company has an office which, as shown by the filed tariffs of the Company, is not operated through the agency of a railroad company, within two miles of any main or branch office of the Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Company, the telegraph service is operated through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Company does not undertake to make delivery, but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Company is located.
 5. No responsibility attaches to this Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Company's messengers, he acts for that purpose as the agent of the sender.
 6. The Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Company, (a) within sixty days after the message is filed with the Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas) or between a point in the United States on the one hand and a point in Alaska, Canada, Labrador, Mexico, Newfoundland and St. Pierre & Miquelon Islands on the other hand, or between a point in the United States and a ship at sea or in the air, (b) within 90 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 415 of the Communications Act of 1934.
 7. It is agreed that in any action by the Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.
 8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.
 9. No employee of the Company is authorized to vary the foregoing.

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CLASSES OF SERVICE

DOMESTIC SERVICES

FULL RATE TELEGRAM

A full rate expedited service.

DAY LETTER (DL)

A deferred service at lower than the full rate.

SERIAL (SER)

Messages sent in sections during the same day.

NIGHT LETTER (NL)

Accepted up to 2 A. M. for delivery not earlier than the following morning at rates substantially lower than the full rate telegram or day letter rates.

INTERNATIONAL SERVICES

FULL RATE (FR)

The standard fast service at full rates. May be written in any language that can be expressed in Roman letters, or in secret language. A minimum charge for 5 words applies.

LETTER TELEGRAM (LT)

Overnight plain language messages. Minimum charge for 25 words applies.

VICTORY LETTER TELEGRAM (VLT)

Overnight plain language messages to armed forces overseas. Minimum charge for 10 words applies.

SHIP RADIOGRAM

A service to and from ships at sea. Plain or secret language may be used. Minimum charge for 5 words applies.

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE - NEW MEXICO

STATE OF NEW MEXICO TO:

All persons having any right, title,
interest or claim in the following
case, and notice to the public.

CASE 408:

Public notice is hereby given that a joint meeting of the New Mexico Oil Conservation Commission and the Railroad Commission of Texas will be held at 10 o'clock a.m. October 7, 1952, at the Scharbauer Hotel, Midland, Texas, for the purpose of considering proration methods and equalization of allowables in oil and gas pools embracing lands within the states of Texas and New Mexico - namely: the West Dollarhide, West Dollarhide-Devonian, West Dollarhide-Fusselman and West Dollarhide-Drinkard Pools, as denominated in New Mexico.

GIVEN under the seal of the Oil Conservation Commission of New Mexico on this 19th day of September, 1952.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
R. R. Spurrier
Secretary

S E A L

