

CASE 3154: Application of the OCC
to ~~authorize~~ authorizing the making
up of bank liabilities incurred in
Southeast New Mexico in Dec. 1900.

Casa No.

2156

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

ORDER NO. A-135
(Case No. 2156)

STATEWIDE OIL PRODUCTION ORDER FOR FEBRUARY, 1961

The Oil Conservation Commission held public hearing at Santa Fe, New Mexico, on January 18, 1961, at 9 o'clock a.m., pursuant to legal notice for the purpose of setting the allowable production of oil within the State of New Mexico for the month of February, 1961, and for the purpose of considering Case No. 2156, which is an application of the Oil Conservation Commission on its own motion to consider authorizing the making up of underproduction incurred in Southeast New Mexico during the month of December, 1960, due to extremely inclement weather in that area.

NOW, on this 20th day of January, 1961, the Commission, a quorum being present, having considered the testimony adduced as to weather conditions during December, 1960, the nominations of purchasers, probable market demand, the capacities of producing wells, together with the anticipated newly completed or recompleted wells, and being otherwise fully advised in the premises,

FINDINGS:

(1) That due to the extreme and unusual weather conditions in Southeast New Mexico during December, 1960, which among other things, caused electric power failures of extraordinarily long duration, many leases in said area sustained losses in production, which if not authorized for production at a later date, would result in an extreme violation of correlative rights. Further, that this underproduction should be authorized for production over an 89-day period, 28/89 of 227,734, or approximately 71,484 barrels to be produced during February, 1961, at the rate of approximately 2,533 barrels per day and the balance deferred to a later date. Further, that due to extremely inclement weather in December, 1960, certain leases in San Juan County, New Mexico, sustained losses in production which, if not authorized for production at a later date would result in an extreme violation of correlative rights, and that this underproduction should be authorized for production over an 89-day period, 28/89 of 14,011, or approximately 4,508 barrels to be produced during February, 1961, at the rate of approximately 157 barrels per day, and the balance deferred to a later date.

(2) The reasonable market demand for oil produced in the State of New Mexico during the month of February, 1961, is approximately 364,824 barrels per day, which total includes a demand for approximately 319,906 barrels of oil per day from the counties of Lea, Eddy, Chaves, and Roosevelt, and a demand for approximately 51,718 barrels of oil per day from the counties of

San Juan, McKinley, Rio Arriba, and Sandoval, as well as approximately 2,553 barrels of underproduction in Lea, Eddy, Roosevelt, and Chaves Counties and 157 barrels of underproduction in San Juan County, all such underproduction resulting from extremely severe and unusual weather conditions during December, 1960.

(3) The potential producing capacity of all oil wells in the State is in excess of such reasonable market demand, and in order to prevent waste the production of oil should be limited, allocated, and distributed for the month of February, 1961.

(4) That all the producing oil wells, together with the expected completed or recompleted wells in the State within the production period, can produce a total of approximately 184,834 barrels per day without causing waste, and an allocation based upon such production would be reasonable and would protect correlative rights.

(5) That the demand for oil from each of the above-described areas is separate and distinct and cannot be reasonably met by the production of oil from the other area, and that the production allowable for each of the said areas should be based upon the demand for oil from that area.

(6) That a total southeast New Mexico production allowable of 313,489 barrels per day, which includes 5,000 barrels per day supplemental allowable for new production and 2,553 barrels per day of authorized underproduction, can be produced without waste by a distribution and allocation of such production among the oil wells in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, by the establishment of a normal unit allowable for those counties of 35 barrels per unit per day, and by the authorization of underproduction as set forth in Finding No. 1 above.

(7) That a total Northwest production allowable of 51,375 barrels per day, which includes 4,000 barrels per day supplemental allowable for new production and 157 barrels per day of authorized underproduction, can be produced without waste by a distribution and allocation of production among the oil wells in San Juan, McKinley, Rio Arriba, and Sandoval Counties, New Mexico, by the establishment of a normal unit allowable for those counties of 70 barrels per unit per day, and by the authorization of underproduction as set forth in Finding No. 1 above.

IT IS THEREFORE ORDERED:

(1) For the month of February, 1961, a normal unit allowable for production of oil in the allocated pools within Lea, Eddy, Chaves, and Roosevelt Counties, be and the same is hereby set at 35 barrels per unit per day; provided that each well in the Knowles Pool in Lea County, New Mexico, under 80-acre spacing Order No. R-40 (except as amended by Order No. R-52) is allocated 70 barrels

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per 80 acres, with deep-pool adaptation. Provided further that the top unit allowable for the North Mason-Delaware Pool in Lea and Eddy Counties, New Mexico, be and the same is hereby set at 30 barrels per unit per day, in accordance with the provisions of Order No. A-844. Provided further that the top unit allowable for the South Cartar-San Andres Pool in Lea County, New Mexico, be and the same is hereby set at 49 barrels per unit per day in accordance with the provisions of Order No. A-1012. The allocation hereby set for said month in the allocated pools of Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, shall be in accordance with Rules 502, 505, and 506 of the Commission's Rules and Regulations, and subject to and as modified by any valid orders of the Commission relating directly to any well, areas, or pools, and the assignment of allowable thereto.

(2) For the month of February, 1961, 28/89 of 227,224, or approximately 71,484 barrels of supplemental allowable be and the same is hereby authorized for production at the rate of approximately 1,583 barrels per day by certain wells in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico, said supplemental allowable being for the purpose of making up underproduction sustained during December, 1960. Authorization of the remaining 61/89 of the underproduction is ordered deferred until a later date.

(3) A Southeast New Mexico proration schedule duly prepared by the Commission and thereafter adopted for the month of February, 1961, and including a supplemental proration schedule authorizing certain wells to make up underproduction, is hereto attached and made a part hereof. Said proration schedule distributes and allocates the allowable production among the oil wells in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, for the period stated. The sale, purchase, or acquisition, or the transporting, refining, processing, or handling in any other way of oil produced in excess thereof is hereby prohibited, and such oil is thereafter contraband.

IT IS FURTHER ORDERED:

1. For the month of February, 1961, a normal unit allowable for production of oil in the allocated pools within San Juan, McKinley, Rio Arriba, and Sandoval Counties, be and the same hereby is set at 70 barrels per unit per day; provided that each well in the North-Lower Gallup Oil Pool in San Juan County, New Mexico, to which has been dedicated 80 acres, is allocated 140 barrels per 80 acres, in accordance with the provisions of Order No. A-1049-B. The allocation hereby set for said month in the allocated pools of San Juan, McKinley, Rio Arriba, and Sandoval Counties, New Mexico, shall be in accordance with Rules 502, 505, and 506 of the Commission's Rules and Regulations, and subject to and as modified by any valid orders of the Commission relating directly to any well, areas, or pools, and the assignment of allowable thereto.

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1. For the month of February, 1961, 78/89 of 14,011, or approximately 4,400 barrels of supplemental allowable be and the same is hereby authorized for production at the rate of approximately 157 barrels per day by certain wells in San Juan County, New Mexico, said supplemental allowable being for the purpose of making up underproduction sustained during December, 1960. Authorization of the remaining 61/89 of the underproduction is ordered deferred until a later date.

2. A northwest New Mexico production schedule duly prepared by the Commission and thereafter adopted for the month of February, 1961, and including a supplemental production schedule authorizing certain wells to make up underproduction, is hereto attached and made a part hereof. Said production schedule distributes and allocates the allowable production among the oil wells in San Juan, McKinley, Rio Arriba, and Sandoval Counties, New Mexico, for the period stated. The sale, purchase, or acquisition, or the transporting, refining, processing, or handling in any other way of oil produced in excess thereof is hereby prohibited and such oil is thereafter considered.

The foregoing order shall remain effective until further order of the Commission.

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

STATE OF NEW MEXICO
OIL COMMISSIONER COMMISSION

EDWIN L. RECHER, Chairman

H. S. WALKER, Member

A. L. FORTER, Jr., Member & Secretary

S E A L

act/

DOCKET: REGULAR HEARING, WEDNESDAY, JANUARY 18, 1961

OIL CONSERVATION COMMISSION - 9 a.m. - MORGAN HALL, STATE LAND OFFICE
BUILDING, SANTA FE, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for February, 1961.
- (2) Consideration of the allowable production of gas for February, 1961 from six prorated pools in Lea County, New Mexico; also consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico for February, 1961.

NEW CASES

CASE 2156: Application of the Oil Conservation Commission on its own motion to consider authorizing the making up of under-production incurred in Southeast New Mexico during the month of December, 1960, due to extremely inclement weather in the general area resulting in electric failures.

CASE 2157: Southeastern New Mexico nomenclature case calling for an order creating new pools and extending existing pools in Lea, Eddy and Roosevelt Counties, also deleting a portion of a pool in Eddy County:

- (a) Create a new oil pool for Glorieta production, designated as the East Garrett-Glorieta Pool, and described as:

TOWNSHIP 16 SOUTH, RANGE 39 EAST, NMPM
Section 29: NW/4

- (b) Create a new oil pool for Paddock production, designated as the South Justis-Paddock Pool, and described as:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 26: SE/4

- (c) Create a new oil pool for Pennsylvanian production, designated as the Scharb-Pennsylvanian Pool, and described as:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 6: SW/4

- (d) Create a new gas pool for Pennsylvanian production, designated as the White City-Pennsylvanian Gas Pool, and described as:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 29: NE/4

- (e) Extend the Allison-Pennsylvanian Pool, to include:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 31: SW/4

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
Section 1: SE/4

- (f) Extend the Anderson Ranch-Devonian Pool to include:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM
Section 33: SW/4

- (g) Extend the Culwin-Yates Pool, to include:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 29: S/2
Section 32: All

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 5: N/2 NW/4
Section 6: N/2 N/2

- (h) Extend the Dog Canyon-Grayburg Pool, to include:

TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM
Section 27: S/2 NW/4

- (i) Extend the Grayburg Jackson Pool, to include:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM
Section 26: NE/4 SE/4

- (j) Extend the Langlie Mattix Pool, to include:

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM
Section 9: N/2 NE/4

- (k) Extend the South Prairie-Pennsylvanian Pool, to include:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
Section 20: SE/4
Section 29: NE/4

- (l) Extend the Red Lake Pool, to include:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 33: W/2 SW/4

- (m) Extend the Robinson Pool, to include:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM
Section 1: SW/4 NW/4
Section 11: NW/4 NW/4

- (n) Extend the Shugart Pool, to include:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 33: SE/4 SW/4
Section 35: SW/4 SE/4

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 4: E/2 NW/4

- (o) Extend the Square Lake Pool, to include:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 22: SW/4 SW/4
Section 27: SW/4 NE/4 and S/2 NW/4

- (p) Delete a portion of the Red Lake Pool, described as:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 26: S/2

Docket No. 2-61

(q) Extend the Artesia Pool, to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 26: S/2

CASE 2158: Northwestern New Mexico nomenclature case calling for an order for the extension of existing pools in San Juan, Rio Arriba and Sandoval Counties:

(a) Extend the Aztec-Pictured Cliffs Pool, to include:

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM
Section 15: E/2

(b) Extend the Ballard-Pictured Cliffs Pool, to include:

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM
Section 20: SE/4
Section 21: SW/4

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM
Section 24: E/2

(c) Extend the Pine Lake-Pictured Cliffs Pool, to include:

TOWNSHIP 26 NORTH, RANGE 3 WEST, NMPM
Section 25: E/2

(d) Extend the South Blanco-Pictured Cliffs Pool, to include:

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM
Section 25: E/2
Section 36: NE/4

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM
Section 3: NE/4

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM
Section 18: E/2

TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM
Section 9: SW/4

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM
Section 12: SW/4

- (e) Extend the Blanco-Mesaverde Pool, to include:

TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM
Section 35: All

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM
Section 13: W/2

- (f) Extend the Angels Peak-Gallup Oil Pool, to include:

TOWNSHIP 26 NORTH, RANGE 10 WEST, NMPM
Section 12: N/2

- (g) Extend the Cha Cha-Gallup Oil Pool, to include:

TOWNSHIP 28 NORTH, RANGE 13 WEST, NMPM
Section 15: S/2
Section 16: S/2

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM
Section 20: E/2 SE/4
Section 22: W/2 SE/4

- (h) Extend the Devils Fork-Gallup Pool, to include:

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM
Section 7: W/2 SW/4

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM
Section 12: S/2 SE/4
Section 14: E/2

- (i) Extend the Escrito-Gallup Oil Pool, to include:

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM
Section 16: S/2 SE/4
Section 18: N/2 & SE/4
Section 20: S/2
Section 29: W/2

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM
Section 13: NE/4 NE/4

- (j) Extend the Gallegos-Gallup Oil Pool, to include:

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM
Section 26: W/2

- (k) Extend the Horseshoe-Gallup Oil Pool, to include:

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM

Section 21: NE/4 SW/4

Section 35: S/2 NW/4 & SW/4 NE/4 & NW/4 SW/4

- (l) Extend the Kutz-Gallup Oil Pool, to include:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM
Section 3: SW/4

- (m) Extend the Otero-Gallup Oil Pool, to include:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM

Section 8: SW/4, S/2 NW/4 & NE/4 NW/4

Section 17: NW/4

- (n) Extend the Totah Gallup Oil Pool, to include:

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM
Section 29: NE/4 NE/4

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 18, 1961

IN THE MATTER OF:

Application of the Oil Conservation Commission on its own motion to consider authorizing the making up of under-production incurred in Southeast New Mexico during the month of December, 1960, due to extremely inclement weather in the general area resulting in electric failures.

Case 2156

BEFORE: Honorable Edwin L. Mechem, Chairman
Mr. E. S. (Johnny) Walker, Land Commissioner
Mr. A. L. "Pete" Porter, Secretary-Director

TRANSCRIPT OF HEARING

MR. PORTER: The next case on the docket is Case 2156.

Mr. Ramey.

(Witness sworn.)

JOE D. RAMEY

called as a witness, having been previously duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. PAYNE:

Q Will the witness please state his full name, by whom employed and in what capacity?

A Joe D. Ramey, Proration Manager for the New Mexico Oil

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Conservation Commission.

Q Mr. Ramey, are you familiar with the factual background underlying the application in Case 2156?

A Yes, it was brought to the Commission's attention that inclement weather in the form of an ice storm in December of 1960 resulted in a power failure which extended from central Lea County into southern Roosevelt County. This disrupted electric service to both producer's pumps and pipeline pumps and also in certain areas truckers were unable to service their connections.

Power in some of these areas was off for around twenty days and as a result there was accrued considerable underproduction during the month of December, 1960.

Q Did this result in applications being filed for back allowable?

A Yes.

Q Mr. Ramey, would you give the amount, the total amount first that was received by way of application and then break it down by purchaser's total production for each purchaser.

A The grand total was 227,224 barrels. Broken down by purchaser or transporter: Cities Service Petroleum Company trucks, 580 barrels; Gulf Pipeline, 7,613 barrels; Magnolia Pipeline, 112,366 barrels; McWood Corporation, 27,359 barrels; Continental Pipeline, 2,283 barrels; Permian Corporation, 13,653; Texas-New Mexico Pipeline, 18,523; Indiana Oil Purchasing

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Company, 41,129; Shell Pipeline, 3,718.

Q Mr. Ramey, if any purchaser or producer requested, you could break this down for them by lease count?

A Yes, I believe so, by pool.

Q Yes. Now, Mr. Ramey, would you consider this inclement weather, as you put it, to be a general catastrophe in the area--

A Yes, I would.

Q -- rather than merely an isolated circumstance?

A Yes.

Q What would you recommend in regard to this underproduction?

A I would recommend that these applications for back allowable be authorized, and I would further recommend that it be allocated for running over a three-month period beginning in February, 1961.

Q Would you consider this recommendation any precedent for the future when it involves only an isolated area or isolated condition?

A No, this was such a general storm that it was impossible for the Lea County Electric Coop to make repairs in a reasonable length of time, and the operators did not have a chance to make up this underproduction.

Q In the ordinary situation such repairs could be made?

A Yes, they would probably be made in a matter of a

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few days.

Q Do you have anything further?

A No, I don't.

MR. PAYNE: That concludes the direct examination of this witness.

CROSS EXAMINATION

BY MR. PORTER:

Q What was the total figure?

A 227,224 barrels.

Q And you recommend that for a three-month period?

A Yes.

Q Have you broken that down as to how much that would amount to per day?

A No, I haven't.

Q Get out your slide rule and tell us.

A It would be in the neighborhood of 2500 barrels.

Q That would be about 2500 barrels in addition to the normal unit allowable?

A Yes, that's correct.

MR. PORTER: Anyone have any questions of Mr. Ramey?

MR. SHOEMAKER: Can that be obtained by pool totals?

MR. PORTER: By pools. The information, Mr. Shoemaker, will be available in the office immediately after the hearing, if you would like to have that. The witness may be excused.



(Witness excused.)

MR. PORTER: Does anyone have anything further to offer in this case?

MR. SMITH: Mr. Porter, M. T. Smith, representing Signal Oil and Gas Company. Our company is interested in back allowable, as we were last year, in the arrangement we had with Gulf and other people about purchasing it, and in this case here, wherever it is possible for us to make a deal with the pipeline companies to transport it for Signal Oil and Gas, we would like and we will discuss it with those people, if it's agreeable with you. I presume it will be.

MR. PORTER: Thank you, Mr. Smith. About a year ago or so we retired Mr. Smith with Shell. We are glad to have you back. Mr. Ramey, you might pass on that information with any prospective producer that might have difficulty selling their oil, they might contact Mr. Smith.

MR. RAMEY: I will.

MR. PORTER: The Commission will authorize--Mr. Robinson, did you have something to offer?

MR. ROBINSON: We have a little bit of testimony that we would like to put on at this time in regard to this.

MR. PORTER: Sure.

(Witness sworn.)

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MR. WHITE: Charles White of Gilbert, White & Gilbert appearing on behalf of Texaco, Inc. We have one witness, Mr. Ed Robinson.

J.E. ROBINSON, JR.

called as a witness, having been previously duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. WHITE:

Q Mr. Robinson, will you state your full name, please?

A J.E. Robinson, Jr.

Q By whom are you employed and in what capacity?

A Texaco, Inc. as Division Proration Engineer.

Q Have you previously testified before this Commission?

A Yes, sir, I have.

Q Have your qualifications been accepted?

A Yes, they have.

Q Did Texaco, Inc. make application for back allowable in regard to Case No. 2156?

A Yes, we did.

Q Do you have an amended application?

A Yes, I do. I have a revised copy. I only have one copy of the revised application for back allowable.

Q Referring to your revised application, will you explain the circumstances which caused the underproduction in your Cross-roads-Devonian Pool?

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A Well, first of all I would like to explain the difference in the revised copy of our application. We have deleted our State of New Mexico BSNCT-5 Well No. 2 in the Wilson Pool, which we listed as having an underage production of 314 barrels.

Now, this well has declined in a normal decline and it is not capable of making up this underage allowable.

Q Then you don't request any makeup on that?

A No, sir, not in the Wilson Pool.

Q Now, refer to the Crossroads Pool and state the circumstances that caused the underproduction.

A In the Crossroads we had an underage production of 7,487 barrels. The U. D. Sawyer lease is served by LACT which failed due to electrical failure, and then the pipeline transfer pump was also down, which resulted in this underage in the Crossroads-Devonian.

Q Now, will you similarly explain the underproduction in the Echols-Devonian Pool?

A We had 10,292 barrels shortage on our State of New Mexico A. R. lease. We have two wells on this, Well No. 2 is a flowing well and Well No. 1 is pumped with a Kobe pump powered by an electric motor, and this Kobe pump was down and I also understand that the pipeline transfer pump was down, and then once we did get power restored our Well No. 1 was headed up with water and it took quite some time to get it back on production. So that is

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the reason for our underage in the Echols-Devonian Pool.

Q Both due to electrical failure?

A That is correct.

Q What was the cause of your underproduction in the Little Lucky Lake-Devonian Pool?

A We want to go on record before the Commission in stating that this underage production is not due to an electrical failure. We had an underage of, 11,194 barrels of underage in the Little Lucky Lake-Devonian, and this underage is due solely to the chokes and the controls freezing up; when the ambient temperature was lowered these chokes froze up and the wells were not capable of making their allowable. I might say that all four of these wells are very prolific wells, producing from the Devonian with the crude being approximately 60 degrees API, and when the cold weather hit our chokes and controls started freezing up and we just couldn't produce the allowable.

Q How was the oil transported from this lease?

A The oil is transported by the Permian Corporation. They truck it approximately thirteen to sixteen miles to a storage point on the Texas-New Mexico Pipeline Company system.

Q Was there any failure in the transportation facilities during this period?

A During the month of December Permian Corporation experienced quite a bit of difficulty with their trucks being off

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in the ditches and what not, and then during part of this time their trucks were unable to truck oil. However, during the period that the trucks were unable to truck oil from our leases in the Little Lucky Lake-Devonian, we had ample space in our tanks to produce our allowable. We have nine 500-barrel tanks there on these leases, and even though during part of the time the trucks weren't able to truck this oil, we did have ample space for producing our allowable.

Q And would have produced them if they had not been froze up?

A That is correct. We would have produced it if they hadn't been frozen up. It might have been a different story if we could have produced this oil and the trucks couldn't have transported it. However, even though the trucks did not and were not able to truck this oil, this has no bearing upon this application since we did have adequate capacity to produce this allowable during that time.

Q Mr. Robinson, are each of these wells capable of making up their underproduction over a three-month period?

A Yes, sir, they are. These are very good wells. They have always made their allowables until this cold weather hit, which resulted in a little over 11,000 barrels of underage production.

MR. WHITE: That's all we have.



MR. PORTER: Anyone have any questions of Mr. Robinson?

MR. PAYNE: Yes, sir.

MR. RAMEY: Yes, sir.

MR. PORTER: Mr. Ramey.

BY MR. RAMEY:

Q You made application to the Hobbs office for this amount, who was your transporter in the Crossroads?

A Magnolia Pipeline Company transports the oil from the Crossroads and Service Pipeline transfers the oil in the Echols-Devonian.

Q I had your applications here for the Little Lucky Lake and the Echols, but I didn't have any figure for the Crossroads. I suppose those are all top allowables?

A Yes, sir, they are. The Devonian wells on our U. D. Sawyer, two of them are flowing wells and the other one is on a Kobe pump that is powered by a gasoline motor or run by butane.

MR. PORTER: Anyone else have a question?

BY MR. PAYNE:

Q How many barrels did your original application ask for?

A We originally asked for 29,287 and we have submitted a revised application for 28,973 barrels, which is a deletion of 314 barrels from the Wilson Pool.

MR. PAYNE: Thank you.

MR. PORTER: Did you have any further question, Mr.

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Ramey? Does anyone else have a question? The witness may be excused.

(Witness excused.)

MR. PORTER: Does anyone else have any testimony to present in the case or anything further to offer?

The Commission will authorize the back allowable over the three-months' period for February, March and April, recognizing that there may be some minor changes, Mr. Ramey, in the amounts, because these application figures must be verified with the C-115 filed by the operators later.

STATE OF NEW MEXICO)
: SS
COUNTY OF BERNALILLO)

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

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 27th day of January, 1961.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:

June 19, 1963.

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