

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 911

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
ROOMS 105, 106, 107 EL CORTEZ BUILDING
TELEPHONE 7-9546
ALBUQUERQUE, NEW MEXICO

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

May 18, 1955

IN THE MATTER OF:)

Application of Gulf Oil Corporation for approval)
of a 160-acre non-standard gas proration unit in)
the Eumont Gas Pool, Lea County, New Mexico, to)
consist of Lots 7 and 8 of Section 5 and Lots 4)
and 5 of Section 4, Twp. 21 South, Rge. 36 East,)
and to be dedicated to applicant's H. T. Orcutt)
"B" Well No. 1, located 1980' FNL and 1980' FEL)
of said Section 5.)

Case No. 911

Before: Honorable John F. Simms, E. S. (Johnny)Walker, and
William B. Macey.

TRANSCRIPT OF HEARING

MR. MACEY: The next case is Case 911.

D O N W A L K E R

having previously been sworn, testified as follows:

DIRECT EXAMINATION

By MR. MALONE:

Q You are the same Mr. Don Walker who testified in Case 910?

A Yes.

MR. MALONE: We offer the record in that case as to his ex-
perience and qualifications.

Q Are you familiar with the application which was filed by
Gulf Oil Corporation in Case No. 911?

A Yes, sir, this is our application for the approval of 160-
acre non-standard unit in the Eumont Gas Pool, consisting of Lots 7
and 8 in Section 5 and Lots 4 and 5 in Section 4, Twp. 21 S, Rge.
36 E, to be dedicated to our H. T. Orcutt "B" Well No. 1, located
1980 feet from the north line and 1980 feet from the east line of

Section 5.

Q Have you caused exhibits to be prepared under your direction, which show the proposed unit, the approved units in the area, and the contouring on top of the Yates of the area?

A Yes, sir.

MR. MALONE: I will ask that they be marked as exhibits.

(Marked Gulf's Exhibits Nos. 1 and 2, for identification.)

Q The proposed unit is east on a somewhat unusual shape, is it not? A Yes, sir.

Q What is the reason for that?

A Well, the reason for it is that we have acreage surrounding our Orcutt "B" No. 2 as well as acreage across the section line which we desire to have made into units caused by other units which have previously been proved in the area.

Q That is shown on Gulf's Exhibit 2 in its relation to the other approved units in the area, is it not?

A Yes, sir.

Q Which is the well to which the acreage would be attributed?

A Gulf H. T. Orcutt "B" Well No. 1.

Q Where located?

A 1980 from the north line and 1980 from the east line of Section 5, Twp. 21 south, Rge. 36, east.

Q The exhibit shows some oil wells included within the exterior boundaries of this unit. From what pools are they producing?

A Those wells are producing from the Eunice Oil Pool, which is Graburg or San Andres formation.

Q Can you give us a brief history of the Orcutt "B" State No. 1?

A This well was plugged back and recompleted on September 18, 1954 at a plugback depth of 3583 feet, as a gas well in the Eumont Pool. It is now producing from the vertical limits of said pool from casing perforations 3335 to 3550, on the electric log or radioactivity log, we show the top of the Queen formation at 3355. It is the top of our perforated interval.

Q Is Gulf the owner of the operating rights and all acreage included in the unit? A Yes, sir.

Q Who is the owner of the royalty?

A State of New Mexico.

Q What information do you have as to the ability of the well to produce in the event the increased allowable is assigned?

A This well which is presently 385 M.C.F. per day on the basis of 160 acre allowable, this would be approximately 770 M.C.F. per day. The well has a deliverability of 3,982 M.C.F. at 771 P.S.I.A. This test conducted in June of 1954.

Q Do you have a radioactivity log of the well?

A Yes, sir.

MR. MALONE: We ask it be marked.

(Marked Gulf's Exhibit No. 3
for identification.)

Q In your opinion, can all acreage included in the proposed unit be, reasonably be presumed to be productive of gas?

A Yes, sir.

Q On what do you base that conclusion?

A We base that on the fact that the well is completely surrounded by other gas wells producing from the Eumont Gas Pool, and is located very close to the top of the structure, and the contours shown on our Exhibit 3 indicate that it certainly should all be

productive of gas.

Q Do the units heretofore approved immediately adjacent to this proposed unit make it impractical to pool this acreage with other acreage?
A Yes, sir.

Q In your opinion, is the approval of this unit required to permit Gulf to produce its just and equitable share of the gas in the pool?
A Yes, sir.

Q In the event that additional wells would be required for that purpose, in your opinion are those wells necessary or unnecessary to that end?

A The requirement that additional wells be drilled would be an unnecessary expense in my opinion.

MR. MALONE: We offer in evidence Gulf's Exhibits 1, 2, 3 and 4.

MR. MACEY: Without objections they will be received.

MR. MALONE: That is all.

MR. MACEY: Any questions of the witness? If no questions of the witness, we will take the case under advisement.

C E R T I F I C A T E

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings in the matter of Case No. 911 was taken by me on May 18, 1955, that the same is a true and correct record to the best of my knowledge, skill and ability.

Ada Dearnley

Reporter