

BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO  
June 13, 1955

IN THE MATTER OF:

CASE NO. 913

TRANSCRIPT OF PROCEEDINGS

**ADA DEARNLEY AND ASSOCIATES**  
COURT REPORTERS  
605 SIMMS BUILDING  
TELEPHONE 2-6691  
ALBUQUERQUE, NEW MEXICO

NEW MEXICO OIL CONSERVATION COMMISSION  
 MABRY HALL - STATE CAPITOL  
 SANTA FE, NEW MEXICO

REGISTERHEARING DATE June 13, 1955TIME: 9:00 A.M.

NAME:	REPRESENTING:	LOCATION
W. Smith E. G. Lutz	Standard Oil Gas ✓	F. A. Worth, Tex ✓
John M. ...	Independent	Roswell, N.M.
Walter ...	Wilshire Super	Midland, Tex
Jack M. Campbell	Campbell & Russell	Roswell NM
Ralph ...	Finch & Jones	Midland, Texas
Richard ...	Shell	Midland, Texas
W. House	Humble O.C. Humble O.P. & G.	Midland Tex Roswell.
...	Sunray Mid. Cont. Oil Co.	Sanderson
...	Sunray Mid-Cont Oil Co.	Midland, Tex
H. M. ...	Shell Oil Co.	Hobbs, NM
...	✓	MIDLAND, TEX
W. ...	El Paso Natural Gas	Jal
R. T. Wright	✓	✓
D. Dickey	Shell Oil Co	Midland Tex

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NAME:	REPRESENTING:	LOCATION
John Furouba	Texas Pacific Coal + Oil Co	Hobbs, N. Mex.
John G. G...	OCC	Sant Fe, N.M.
Warren W. Mank...	"	"
S. J. Stanley	OCC	Hobbs, N.M.
B. R. L...	Warren Petroleum Corp.	Tulsa, Okla.
J. W. K...	Warren Petroleum Corp.	Hobbs, N. Mex.
P. M. R...	OCC	Santa Fe
Lo Storm	Simmons, Markham, & Cove	Hobbs, N. Mex.



A Donald E. Hall.

Q By whom employed and in what capacity?

A By Sunray Mid-Continent Oil Company as petroleum engineer.

Q Where do you have your offices?

A Midland, Texas.

Q Have you ever testified before the Commission before?

A No, sir.

Q Will you state briefly your qualifications?

A I was graduated from the University of Oklahoma in 1946; since then I have been employed as petroleum engineer by Barndall Oil Company, Sunray Oil Corporation, and Sunray Mid-Continent Oil Company over a period of seven years. During that time I have resided approximately four years in New Mexico and West Texas.

Q Are you familiar with Mid-Continent's petition in Case Number 913?

A Yes, sir.

(Mid-Continent's Exhibit No. 1 marked for identification.)

Q I hand you what has been marked Exhibit No. 1 and ask you to state what that is and what it is designed to show.

A This is a plat of Sections 11 and 12, Township 21, South, Range 36 East; outlined in red is the proposed 160-acre proration unit of the C. W. Marshall No. 2. Also shown are surrounding gas wells which are producing from the same gas pay as our proposed unit well.

Q This proposed acreage is to be assigned as described to C. W. Marshall Well No. 2?

A Yes, sir.

Q Will you give a brief history of the well?

A The C. W. Marshall No. 2 was completed September 25, 1936, in the Eumont Oil Pool. It is located 660 from the east line, 1980 from the south line of Section 11, Township 21 South, Range 36 East.

Q What do you propose to do with this well?

A We propose to plug back from the Eunice Pool into the Queen or Eumont gas zone.

(Mid-Continent's Exhibit No. 2  
marked for identification)

Q I hand you what has been marked Exhibit No. 2 and ask you to state what that is?

A This is a waiver of objection to the proposed unit by Sinclair Oil and Gas Company.

(Mid-Continent's Exhibit No. 3  
marked for identification.)

Q I hand you here what has been marked Exhibit No. 3 and ask you to state what that is.

A This is a waiver to objection to the proposed unit by Two-States Oil Company.

(Mid-Continent's Exhibit No. 4  
marked for identification.)

Q I hand you Exhibit No. 4. Will you identify it?

A This is a waiver to the objection of the proposed unit by the Texas Company.

MR. WHITE: If no objection, we move the introduction of Exhibits 1 through 4 inclusive.

MR. MACEY: Without objection they will be received.

Q Is the proposed assigned acreage, in your opinion, reasonably

assumed to be productive?

A Yes, sir.

Q What is the basis for that conclusion?

A There are wells on each side of the proposed unit within reasonable distance which, for all purposes, should prove the acreage to be productive.

Q Do your lease agreements provide for pooling without consent of royalty owners?

A No, sir.

Q In your opinion, is it practical to unitize this area or any portion of it with the surrounding tracts?

A No, sir, it isn't, due to the existing spacing and proration unit surrounding the lease and for economic reasons.

Q In your opinion, would the granting of this application cause waste or prejudice correlative rights?

A No, sir.

MR. WHITE: We have no further questions.

MR. MACEY: Any questions of the witness? Mr. Mankin.

CROSS EXAMINATION

By MR. MANKIN:

Q Will the well be completed in only the Queen for gas pay?

A The main producing zone is the Queen. Actually, part of the Seven Rivers and possibly the Yates might be productive in this area. It is pretty hard to tell without running a gamma ray neutron log just where we will perforate.

Q In this same unit area you have a well No. 3 that is presently carried as an oil well?

A Yes.

Q At one time it showed some gas; do you feel that any gas is being produced from the Eumont payout of this well?

A No, sir, not at the time. Possibly at one time a small stringer was productive in it, but at the present time the gas-oil ratio is 1,025 to 1, which is very well within the limits.

Q Would your company be willing to furnish the log that is later run on this well so it may be --

A (Interrupting) Yes, from the C. W. we will run a gamma ray neutron log and furnish that log.

MR. MACEY: Any other questions?

MR. WHITE: We should receive a waiver from Dalport which hasn't come in as yet.

MR. MACEY: If no further questions of the witness, the witness may be excused.

(Witness excused.)

MR. MACEY: Does anyone have anything further? Nothing further. We will take the case under advisement.

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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 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 17th day of June, 1955.

*Ada Dearnley*  
Notary Public, Court Reporter



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