

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

IN THE MATTER OF:

CASE NO. 808 - Regular Hearing

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  
Santa Fe, New Mexico  
January 13, 1955

IN THE MATTER OF:

Application of Gulf Oil Corporation for an exception to Rule 309 in utilization of a single tank battery for production from a maximum of 10 wells drilled to the Drinkard formation on its Harry Leonard 'G' Lease in 33-24S-38E and 4-25S-38E, Lea County, New Mexico, in the Dollarhide-Drinkard Pool.

Case No. 308

BEFORE:

Honorable John Simms, Jr.  
Mr. E. S. (Johnny) Walker  
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 808.

W. G. SINCLAIR,

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

DIRECT EXAMINATION

By MR. UPCHURCH:

Q State your name, please?

A W. G. Sinclair, Junior.

Q You have just previously testified in Case 807, have you not?

A Yes, I have.

Q This Case 808 involves Gulf's application for the use of a *single tank battery for production from* producing a maximum of ten wells from this particular lease into

a single battery, does it not?

A That is correct.

Q What is the description of the property covered by this particular lease?

A This lease is composed of the north half of the northwest quarter and the <sup>5</sup>wouthwest quarter of Section 33, Township 24 South, Range 38 East, and the northwest quarter of Section 4, Township 25 South, Range 38 East, Lea County, New Mexico.

Q This is a part of the same base lease as the lease involved in Case 807?

A Yes.

Q The State lease and royalty ownership is all in the State?

A Yes, sir.

Q How many wells on this property at the present time?

A There are nine wells producing from the Dollarhide-Drinkard Pool at the present time.

Q All nine of these wells are being produced into a single battery?

A That is correct.

Q Is that under a temporary commission of the Commission?

A Yes, sir, it is.

Q Do you have a plat of this particular lease, the Harry Leonard G, which you might furnish the Commission, showing the location of these wells?

A Yes, sir, I do.

MR. UPCHURCH: We would like to introduce this as Gulf's Exhibit 1.

(Marked Gulf's Exhibit No. 1, for identification.)

MR. MACEY: Any objection to the introduction of Exhibit 1 in Case 808? If not it will be received.

Q Mr. Sinclair, referring to the Exhibit which was just introduced, how many possible additional locations could be made under the spacing rules for the wells to be drilled into the Dollarhide-Drinkard Oil Pool?

A Only one possible location.

Q A maximum of ten wells producing into the one battery, should the Commission grant this application?

A Yes.

Q At the present time is the battery of sufficient capacity to handle the production from all ten wells?

A Yes, sir, it is.

Q What disposition is being made for the casinghead gas being produced in this particular lease?

A The casinghead gas is being purchased by El Paso Natural.

Q Should the Commission grant this application, how many days of production could be held in storage under present allowables from a maximum of ten wells?

A Slightly in excess of three days.

Q Would there be adequate facilities to permit the taking of the required tests?

A Yes, sir, there would be.

Q In other words, this would involve the taking of the tests on two additional wells?

A That is correct.

Q It would be done in the same manner as the tests are now being taken?

A Same manner.

Q Will the granting result in substantial savings, both in steel and money, and reduce the cost of operation and maintenance, prevent waste and protect correlative rights?

A Yes.

MR. UPCHURCH: That is all.

MR. MACEY: Any questions of the witness? If not the witness may be excused.

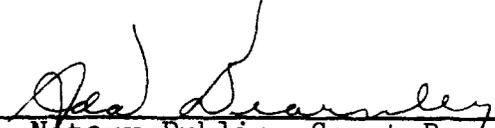
(Witness excused.)

MR. MACEY: We will take the case under advisement.

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 17th day of January, 1955.

  
Notary Public, Court Reporter

My Commission Expires:  
June 19, 1955