No. 4-61

DOCKET: EXAMINER HEARING - WEDNESDAY, FEBRUARY 8, 1961

OIL CONSERVATION COMMISSION - 9 A. M., CONFERENCE ROOM - STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Oliver E. Payne, Attorney, as alternate examiner:

- CASE 2171: Application of Amerada Petroleum Corporation for permission to commingle the production from several separate pools and for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to commingle the production from the Justis-Blinebry, Justis-Drinkard, Justis-Fusselman, and an undesignated 5000 foot pay zone from all wells presently completed or hereafter drilled on the Ida Wimberley Lease comprising portions of Sections 24, 25 and 26, Township 25 South, Range 37 East, Lea County, New Mexico. Applicant further seeks permission to install an automatic custody transfer system to handle said commingled production.
- <u>CASE 2172</u>: Application of Rice Engineering & Operating, Inc. for a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its Gulf Houston Well No. 1, located 1980 feet from the South and East lines of Section 19, Township 12 South, Range 38 East, Lea County, New Mexico, with injection to be in the Devonian formation in the interval from 12,200 feet to 12,500 feet.
- CASE 2173: Application of Yates Petroleum Corporation for an order force-pooling a 322.4-acre gas proration unit in the Atoka-Pennsylvanian Gas Pool. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Atoka-Pennsylvanian Gas Pool in the S/2 of Section 21, Township 18 South, Range 26 East, Eddy County, New Mexico. Interested parties include J. N. Hawkins, J. W. Potter, William H. Swearingen, Smith B. Crane, Frank F. Coon, A. F. Escobar, Olive E. Harrison, Pan American Petroleum Corporation, Mayme Ressinger, J. R. Raymond, Isabell Gallegos, Alice Heck Martin, Maze Heck Pinnell, Wave Heck Hill.

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- CASE 2174: Application of Yates Petroleum Corporation for an order force-pooling a 322.2-acre gas proration unit in the Atoka-Pennsylvanian Gas Pool. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Atoka-Pennsylvanian Gas Pool in the N/2 of Section 28, Township 18 South, Range 26 East, Eddy County, New Mexico. Interested parties include William H. Swearingen, Alice Heck Martin, Maze Heck Pinnell, Wave Heck Hill, J. W. Potter, James W. Hall and Mrs. Lucille Ruddell South.
- CASE 2175: Application of Sunray Mid-Continent Oil Company for an oiloil dual completion utilizing two strings of casing. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State "Y" Well No. 1, located in Unit G, Section 32, Township 18 South, Range 31 East, Eddy County, New Mexico, in such a manner as to permit the production of oil from the Culwin-Yates Pool and the production of oil from the North Shugart Queen-Grayburg Pool through parallel strings of 2 7/8-inch casing cemented in a common well bore.
- CASE 2176: Application of Honolulu Oil Corporation for a pressure maintenance project. Applicant, in the above-styled cause, seeks an order authorizing it to install a pressure maintenance project in the Horseshoe-Gallup Oil Pool by the injection of water into the Gallup formation through its Navajo Well No. 4, located in the SE/4 SE/4 of Section 5, Township 31 North, Range 17 West, San Juan County, New Mexico. Applicant further seeks the adoption of special rules governing the operation of said project.
- CASE 2177: Application of Phillips Petroleum Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to install an automatic custody transfer system to handle the Corbin-Abo Pool production from all wells presently drilled or hereafter completed on the Eilliams Federal Lease comprising portions of Sections 33 and 34, Township 17 South, Range 33 East, Lea County, New Mexico.
- <u>CASE 2178</u>: Application of Humble Oil & Refining Company for permission to commingle the production from several separate leases and for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to commingle the

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CASE 2178: (Cont.)

- Horseshoe-Gallup Oil Pool production from all wells presently completed or hereafter drilled on the Navajo "F" lease, comprising all of Sections 3, 4, 9, and 10, the Navajo "G" lease, comprising all of Sections 1, 2, 11 and 12, and the Navajo "M" lease, comprising the NE/4 of Section 5, all in Township 31 North, Range 17 West, San Juan County, New Mexico. Applicant further seeks permission to install an automatic custody transfer system to handle said commingled production.
- <u>CASE 2179</u>: Application of Drilling and Exploration Company, Inc. for approval of the Mescalero Ridge Unit Agreement. Applicant, in the above-styled cause, seeks approval of the Mescalero Ridge Unit Agreement, which unit embraces 7521 acres of Federal and State lands in Township 19 South, Range 34 East, Lea County, New Mexico.
- <u>CASE 2180</u>: Application of Great Western Drilling Company for an order force-pooling a 40-acre proration unit in the Eumont Gas Pool. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Eumont Gas Pool in the SE/4 NE/4 of Section 32, Township 19 South, Hange 37 East, Lea County, New Mexico. Interested parties include Dr. Hans May, B. A. Bowers, Estate of George F. Henneberry, William R. Kershaw, C. B. Neal, Fred Manley, Mae Williams, and W. L. Crutchfield.
- <u>CASE 2181</u>: Application of Gulf Oil Corporation for approval of the Hackberry Hills Unit Agreement. Applicant, in the abovestyled cause, seeks approval of the Hackberry Hills Unit Agreement, which unit embraces 13,920 acres in Townships 21 and 22 South, Ranges 25 and 26 East, Eddy County, New Mexico.

	BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico February 8,1961					
SERVICE, Inc. PHONE CH 3-6691	EXAMINER HEARING					
	IN THE MATTER OF: Application of Gulf Oil Corporation for approval) Case of the Hackberry Hills Unit Agreement. Appli-) 2181 cant, in the above-styled cause, seeks approval) of the Hackberry Hills Unit Agreement, which unit) embraces 13,920 acres in Townships 21 and 22 South, Ranges 25 and 26 East, Eddy County, New Mexico.					
<i>FING</i>	BEFORE:					
ORI	Daniel S. Nutter, Examiner					
EP	TRANSCRIPT OF HEARING					
8 <i>R</i>	MR. NUTTER: Case 2181.					
CIEI	MR. MORRIS: Application of Gulf Oil Corporation for					
DEARNLEY-MEIER REPORTING SERVICE, Inc. Albuquerque, new mexico	approval of the Hackberry Hills Unit Agreement.					
	MR. KASTLER: I am Bill Kastler, attorney from Roswell,					
	appearing on behalf of Gulf Oil Corporation. Our witnesses will be					
EA	J. L. Hutchison and J. W. Eiserloh.					
U QUE, N	(Witnesses sworn.)					
BUQUER	MR. KASTLER: I would like to state, we intend to offer					
AL	as Exhibit 1 a copy of Gulf's geological report. At this time I					
	only have a single copy of that, but I will have other copies made					
	and sent to you as soon as I return to Roswell. That Exhibit 1 con-					
	tains a number of exhibits, labelled Exhibit A through F, and Mr.					



Hutchison will testify from reproduced copies of those exhibits. J. L. HUTCHISON called as a witness, having been previously duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. KASTLER:

Q Will you please state your name, where you are employed and by whom, and in what capacity?

A J. L. Hutchison, employed by Gulf Oil Corporation in Roswell, New Mexico. My profession is geologist.

Q Would you please outline your educational background?

A I attended the University of Texas, receiving a Bachelor's and Master's Degree from that institution, and have worked for Gulf Oil as a petroleum geologist for the last nine years.

MR. KASTLER: Mr. Examiner, is the witness qualified?

MR. NUTTER: Yes, sir.

Q (By Mr. Kastler) Mr. Hutchison, are you familiar with Gulf's Hackberry Hills unit area which is a proposed Federal unit?

A Yes, I am.

Q I wish to ask you if you have, as a part of Exhibit 1, Exhibit A, which is a land ownership plat?

A I do.

Q Would you please state whether that shows the status of land ownership, whether the lands are Federal, State or fee ownership?

PHONE CH 3-6691



А	Yes,	sir,	it	does	•
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Q And it outlines, in a hashered line, the proposed unit area?

A Yes, sir.

Q What is the acreage in that?

A The acreage is outlined. I do not have the exact figure on the total acreage, but it is outlined and comprises the area within the line, and the legend there would show the Federal, State and fee land.

MR. KASTLER: Our land man will testify further in connection with this.

Q I now wish to call your attention to Exhibit B, which is an information map. Would you please state where this is located and how it is shown on the plat?

A Exhibit B to Exhibit 1, the hashered area on this plat is the same as on the ownership plat. Seismic control lines are shown. They are circled with the dotted lines between them. Those are seismic lines shown by both conventional and thumper techniques, and I might add, there have been some additional shooting subsequent to the making of these plats. Most of it, I understand, is in the south portion of theproposed unit.

Q When was the original shooting carried on?

A I do not know definitely. I do know that Gulf, in its own company, operated crews, shot part of the work. Contract crews, namely, Empire and Dawson, did some of the shooting, and we have trailed some thumper data in the area.

Q What are the outlined wells, and what were their shows; would you please refer to them?

A These wells outlined, I believe, roughly, in red are pre-Permian wells in the areas that had shows in either the Permian or Wolfcamp sections. I might add, excluding the Honolulu presently drilling in 25 of 22, 26. The wells had shows of gas or oil, or both, in the Wolfcamp or Permian section, namely, the Kelly No. 1 McMillan unit, the Seven Rivers Hills unit No. 3, the old Pan American Guadalupe Foothills Unit 1, listed as Phillips, I believe, since they went in and tried to complete subsequent to the abandonment by Pan American, and the McKittrick Cornell to the west, there, which made some gas in the Permian section.

Q I now wish to call your attention to Exhibit 1-C. That is a structure map on the top of the Yates sand, is it not?

A Yes. In this particular area the Yates and the Tansill formations outcrop at the surface. This is a surface map prepared by the geological department in Roswell, showing the structure of the Yates sandstone which, incidentally, coincides fairly well with the topographic structures of the area and the alignment of this Yates section coincides very well with our deeper seismic interpretations that will be shown on later plats.

Q On this Exhibit C you have also superimposed the proposed unit outline?

In this particular area I might add, due to the irregular-



Α

ity of the seismic control lines on the other outline. The top of the reef is fairly rough in the area, and most of the seismic lines were controlled along the valley streams and arroyos in the area. One other item I might mention at this point, if you will notice, this Yates structure trends northwest southeast, and in the area there we are on the northwestern flank of the Delaware basin, and this is more or less perpendicular to the reef trend of the Seven Rivers, which more or less parallels the Mendor arch and the platform to the east.

Q I wish to call your attention to Exhibit 1-D. I understand this is a seismic interpretation on top of the Bone Springs formation?

A Yes.

Q What does this map show in regard to the unit?

A This is a seismic interpretation on top of the Bone Springs formation. Actually, it conforms fairly well and coincides with the general trend as outlined by the surface Yates structure as far as closure at this horizon. You will note that we have approximately 200 feet of closure here at the Bone Springs level.

Q Do you have anything else to add in connection with Exhibit 1-D?

A No, I do not.

Q This line was developed by this analysis of this shooting data as testified to earlier; is that correct?

A Yes.

Q Now, I call your attention to Exhibit 1-E, seismic interpretation on top of the Devonian. What does that map show?

A This map shows a corrected map for velocity, showing approximately 650 feet of closure at the Devonian horizon, with a north and west fault with a throw or displacement of roughly 120 to 280 feet. The unit as outlined, you will notice, embraces roughly the 8800 foot contour or the closing contour of the unit. Did I mention our proposed location for the test?

Q No, you didn't.

A The proposed location for the test will be somewhere in the N/W of the SE of Section 1 of Township 22 South, Range 25 East. I think it will probably be located in that depending upon terrain situations.

Q Exhibit 1-F, which is a generalized columnar section; would you refer to this and state what is pertinent to these formations?

A Actually, in this is a generalized columnar section of the formation we expect to encounter in a test well located in this particular section. As I stated previously, the Tansill-Yates formation outcrops at the surface, and we are anticipating somewhere from 200 to 250 feet of that prior to encountering the Capitan reef, section and in the reef section we expect a very porous dolomite section with an abundance of water, and this will continue with some interbedded sands down to the top of the Delaware sand section in the neighborhood of 2200 or 2300 feet. and with the sands and



shales and some limes -- primarily sandstone - of the Delaware, we anticipate the top of Bone Springs formation at approximately 4,000 It primarily will be a limestone, with some sand beds in the feet. formation, and the top of the Wolfcamp should be encountered in or near 7,500 feet; various shales, dolomite lime; top of the Pennsylvanian at approximately 7,900 feet. There is a possibility, I might add, that if the well is running high or as anticipated by our seismic map, it could be a possibility of fitting in this particular Our Pennsylvanian should contain several limestone shales section. sand members, and possible zones that produce or had shows of gas in the wells mentioned here before. Our Mississippian lime section, we will probably have some shale immediately above it. It will consist brown cherty limestone, and immediately below we have a shale section prior to encountering the Devonian, which we anticipate in the neighborhood of 10,900, 1100, 11,200, in that general area.

Q What is the objective testimony?

A We set the test up for a depth of 12,000 feet.

Q What is the estimated drilling time to attain that depth? Aq Roughly, we are estimating 90 days without any unforeseen difficulties.

Q Mr. Hutchison, was the Exhibit 1 prepared by you or at your direction and under your supervision?

A Not directly. It was prepared under our Exploration Department in Roswell. The person who actually was in charge of this particular area is on military leave at the present time.



Q In your opinion as a petroleum geologist, does this Exhibit 1 represent a true and faithful representation of the data shown?

A Yes.

Q In your opinion is the Hackberry Hills unit area worthy of drilling a test well, and would a prudent operator be justified in drilling such a well for oil and gas?

A To the best of my knowledge.

MR. KASTLER: This is all the questions I have.

BY MR. NUTTER:

Q Mr. Hutchison, on Exhibit 1-C, you made the remark there at the bottom of the page it was based on the Yates sandstone formation with the word "surface" in parentheses. Is that contour drawn from surface geology?

A Yes.

Q Is the Yates on the surface?

A Yes, Yates and Tansill, in that particular area of the unit.

Q And the other contour maps were prepared from seismic data?

A From seismic information, yes, sir.

Q In your opinion as a geologist, do you believe that the outline of the unit area, that is the area which is encompassed by the boundary of the unit, is unduly large with regard to the structure that the seismic work indicates present in the Devonian



ALBUQUERQUE, NEW MEXICO

formation?

A Well, as far as a combined interpretation of our company's geophysicists, plus the facts of the Dawson and Empire interpretations, they seem to coincide that there could be that large a structure.

Q You actually have two structures?

A Yes, on the trend.

Q You will drill first on the northwest dome?

A Yes.

MR. NUTTER: Any further questions of Mr. Hutchison? He may be excused.

MR. KASTLER: I would like to move Exhibit No. 1 be admitted into evidence.

MR. NUTTER: Exhibit 1 will be admitted.

J. W. EISERLOH

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

DIRECT EXAMINATION

BY MR. KASTLER:

Q Mr. Eiserloh, would you please state where you are employed and in what capacity and by whom?

A I am employed in the Roswell District Office as a Land Man for the Gulf Oil Corporation.

Q Are you familiar with Gulf's application in Case 2181, being an application for approval of the Hackberry Hills unit?



DEARNLEY-MEIER REPORTING SERVICE, Inc. ALBUQUERQUE, NEW MEXICO

PHONE CH 3-6691

A Yes, sir.

Q Would you care to review your professional background as a land man?

A I have been employed by Gulf for 26 years, of which some 20 years of that have been devoted exclusively to land work, approximately the last ten years of which is predominantly unitization work.

Q Do you have for introduction into evidence in this case as Exhibit 2 an executed copy of the proposed unit agreement, and for Exhibit 3 an executed copy of the proposed unit operating agreement?

A Yes, I do.

Q.

Q MR. KASTLER: May we have these executed copies, and request they be stamped and marked.

MR. NUTTER: Agreement will be marked Exhibit², Unit Agreement.

MR. KASTLER: I would like to state here, also, that after we receive formal U.S.G.S. approval we propose to reproduce a number of copies of this and reproduce the signatures, and at that time would like to submit two additional copies to constitute evidence in this case.

MR. NUTTER: Operating Agreement was marked Exhibit 3.

MR. KASTLER: In both Exhibit 2 and Exhibit 3 there are other exhibits attached to them labelled Exhibit A to Exhibit 2, and B, and to Exhibit 3 the two attachments are Exhibits C and D.

Mr. Eiserloh, has this unit been given a preliminary



PHONE CH 3-6691 DEARNLEY-MEIER REPORTING SERVICE, Inc. ALBUQUERQUE, NEW MEXICO approval by the United States Geological Survey?

Α Yes, it has.

Was a copy of this furnished to the Commission at the time Q. Gulf originally applied for this hearing?

That's correct. А

Referring to Exhibit 2-A, would you please state what Q that is?

Exhibit 2-A is a land ownership map of the Hackberry Hills Α unit in Eddy County, the legend reflecting the acreage owned by the Federal government, that owned by the State, and also that considered as fee lands, owned by private individuals.

In other words, there is shown on the plat, first, the Q. hashered mark outlining the proposed unit area, and then a legend so that the Federal acreage is shown in blank, without any marks superimposed over the page, the State acreage is dotted, and the fee ownership is dashed lines?

Right. Α

Would you please give the total number of acres in the Q unit, number of Federal land acres, and number of State, and private ownership?

The total acreage in the unit area is 13,920.38. The Α total Federal lands is 7,841.50, or 56.33%. The total State lands, 4.838.88, or 34.76%; the total fee lands, 1,240 acres, or 8.91%.

Mr. Eiserloh, are all of those 13-thousand plus acres Q presently under oil and gas lease?



Ð DEARNLEY-MEIER REPORTING SERVICE, Inc. ALBUQUERQUE, NEW MEXICO

3-6691

PHONE

A Yes, sir.

Q What percentage of working interest owners have committed their interests to this unit agreement?

A The owners of working interests in the leasehold estate, covering 87.3% of the acreage in the unit have committed their interests to the unit.

Q Would you identify the leases and operators who have not committed their interests to you?

A On Exhibit A, if you will refer to that, in Township 21 South, 25 East, Tract 3, shown under Lease 2, Union Oil of California, is not committed. In the same Township, in Section 26, an 80-acre tract under lease to Shell, being Tract No. 24, and likewise a 40acre tract, being Tract No. 25, under lease to Humble, are not committed. In Township 21 South, Range 26 East, Section 32, Tract No. 6, indicated as Conley, is not committed. In Township 22 South, Range 26 East, in Section 16, Tract No. 36, indicated as Sun Oil Company, is not committed. By not committed I mean that the working interest owners have declined to participate in the unit.

Q And all other working interests have committed, which is an aggregate of 87.3% of the entire unit area?

A That is correct.

Q Mr. Eiserloh, does Exhibit 2-B set out the names of the working interest owners, royalty owners, and overriding royalty and other interest owners?

That is correct. May I go back to your previous question?



PHONE CH 3-6691 DEARNLEY-MEIER REPORTING SERVICE, Inc. ALBUQUERQUE, NEW MEXICO I see I omitted one more tract in there, in Township 22 South, Range 25 East, Tract 26, Section 2, the Lots 1 and 4 shown under lease to Carper; both of those 40's are not committed. I am sorry, I overlooked, also, the two 40's Carper has up in Section 26 of 21 South, 25 East, Tract 2-A in Tract 26.

Q Will the owners of all interests, other than working interests, be invited to join the unit??

A Yes, they will.

Q Does the unit agreement provide for enlargement of, or contraction of, the unit area only after approval by the U.S. Geological Survey and local land commission, and Oil Conservation Commission?

A Yes, it does.

Q Is the execution of all parties who have consented to the unit operators' agreement now complete?

A Yes, it is complete. Those copies furnished the Commission do not reflect the execution by Superior Oil Company, which was accomplished only on Monday of this week, and the signature pages executed by the Vice President of Superior in Houston were mailed to us, air mail, Monday, and they had not reached our office as of departing time yesterday.

Q This commitment was verified by telegram, is that correct?

A By telephone communication.

Q Are there any otherinterested parties who have not presently signed?



HONE CH 3-6691 DEARNLEY-MEIER REPORTING SERVICE, Inc. ALBUQUERQUE, NEW MEXICO A The interest shown as Tennessee Gas and Oil's, at a last minute decision of their management, they elected to pursue the farm-out route, and they will farm out the acreage to us and any other working interest owners who will elect to assume their proportionate part of it on the completion of the well.

Q And those interests will be committed to the unit then?A Correct.

Q When supplemental copies of Exhibits 2 and 3 are furnished to the Commission, will they contain these commitments that have now been verified?

A That is correct.

Q When do you propose to commence the initial test well?

A We have a lease expiring that is on property within the unit area that expires midnight the 28th of February. It is on Federal lands, and it is our present intent to spud the well, possibly as early as February 15th, certainly not later than February 28th.

Q You propose, in other words, to be actively drilling on the unit area at the end of February at the time when this lease would otherwise expire?

A That's correct.

Q Isn't it also necessary at that time you must have formal approval by the U.S.G.S. of this unit agreement?

A That's right.

Mr. Eiserloh, do the provisions for the correlative rights



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of royalty owners or other owners than the working interest owners, are those, in your opinion, adequately provided for?

A Yes.

Q What is the provision in connection with any royalty owner or overriding royalty owner who should elect to consent and ratify the unit agreement upon establishing production inside the unit?

A They will share to the extent of the acreage in which they own a royalty or overdding royalty interest, within the participating area, based upon an allocated portion of the total production from that particular participating area.

Q If such royalty owner, or overriding royalty owner, elects not to join the unit agreement, will he, nevertheless, receive his royalty or overriding royalty from any oil or gas extracted from the land covered by his lease?

A Yes, sir.

Q Then, in your opinion, correlative rights are provided for?

A Yes, they are.

MR. KASTLER: I believe that is all the questions I have at this time.

MR. NUTTER: Are there any questions of Mr. Eiserloh? BY MR. PAYNE:

Q Where do you plan to locate the test well?

A In the N/2 of the SE/4 of Section 1, 22, 25.

Q Do you propose an orthodox location for that well?



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A Our engineer went down yesterday to examine the terrain, and possibly you are aware, it is pretty rugged country, and depending upon his findings and returning to Roswell, which presumably he did this morning, would govern the location there to avoid, as much as possible, any excessive cost for preparation of location.

Q There is no particular location in this 160 that you will drill a test well on which, structurewise, is better than any other?

A No, sir. Our geologists have informed me we are still within the topmost contour of our Devonian features there.

Q If one particular location on that 160, orthodox, proved to be impossible to drill, due to topography, you would have no objection to drilling another orthodox location?

A No.

BY MR. NUTTER:

Q Mr. Eiserloh, the area which you said had not been committed to the unit, have all these working interest owners for those particular tracts actually declined to join, or just haven't got around to execute?

A We have the letters from each and every one, the six who have declined. Actually, there is only six participants out of a total of 22 working interest owners in the unit area who have declined to join.

Q These people, unless they change their minds, won't be in the unit?

A That's right. They are still, under the terms of our



agreement, afforded an opportunity to join prior to the effective date and, thereafter, of course, subject to the approvals on a negotiated basis.

Q Does this unit agreement provide for the elimination of any acreage that isn't within a participating area by a certain time?

A Yes, sir, it does.

Q What is the length of time?

A Five years is my recollection.

Q Does that apply to all lands, Federal, fee, and State as well?

A I think it does. Yes, sir, I believe you will find that in subparagraph, little "e" on Page 4, top of Page 4 of the Unit Agreement, which is Exhibit 2.

Q Does the unit agreement contain a segregation clause as to portions of leases within the unit as wells as without?

A I am sure it does.

BY MR. PAYNE:

Q Does it as to fee land?

A I am sorry. I can't answer that. I would be glad to look it up. Actually there are no fee lands not wholly included in this -- I am wrong. There are two separate 80-acre tracts which only 40 acres is included.

BY MR. NUTTER:

Q But segregation Clause 1 applies to those?

No, sir, not to fee lands,



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MR. NUTTER: Are there any other questions of Mr. Eiserloh? He may be excused.

MR. KASTLER: I would like to move Exhibits 2 and 3 be accepted into evidence.

MR. NUTTER: Exhibits 2 and 3 will be accepted. Do you have anything further, Mr. Kastler?

MR. KASTLER: No, I don't.

MR. NUTTER: Does anybody have anything they wish to offer in Case 2181? Take the case under advisement. Hearing is adjourned.

(Whereupon, at 2:30 P.M. the hearing was adjourned.)

STATE OF NEW MEXICO)) ss COUNTY OF BERNALILLO)

I, JUNE PAIGE, 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 18th day of February, 1961.

I do hereby certify that the foregoing is a complete record of the proceedings the Emainer hearing of Case No 218 ... Notary ' Public Reporter 196 heard by me on K.S. Current, Examinen

New Mexico Oil Conservation Commission

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DEARNLEY-MEIER REPORTING SERVICE, Inc.

