BEFORE THE **Bil Conservation Commission** SANTA FE, NEW MEXICO IN THE MATTER OF: CASE NO. 912 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 200-acre non-standard gas proration unit in ) the Eumont Gas Pool, Lea County, New Mexico, to ) Case No. 912 consist of NE/4 and NW/4 SE/4 of Section 23, ) Township 19 South, Range 36 East, and to be dedi- ) cated to applicant's R. R. Bell "H" Well No. 1, ) located 1980' FNL and 660' FEL of said Section 23.)

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

TRANSCRIPT OF HEARING

MR. MACEY: We will proceed to Case 912.

<u>DONWALKER</u>

having previously been sworn, testified as follows:

## DIRECT EXAMINATION

By MR. MALONE:

Q You are the same Don Walker who testified in the two preceeding cases on behalf of Gulf? A Yes. sir.

MR. MALONE: We adopt the testimony in the other records as to his qualification and experience and the Commission ruling thereon.

Q Are you familiar with the application filed by Gulf Oil Corporation in Case 912? A' I am.

Q What is the purpose of that application?

A Purpose of the application was to obtain approval of a 200-acre non-standard gas proration unit in the Eumont gas pool to consist of the northeast quarter and the northwest quarter of the southeast quarter of Section 23. township 19. Range 36 east.

> ADA DEARNLEY & ASSOCIATES STENOTYPE REPORTERS ALBUQUERQUE, NEW MEXICO TELEPHONE 3-6691

Q Have you caused plats to be prepared showing the proposed unit, its relation to other approved units in the area, and a contouring of the top of the Yates? A Yes, sir.

MR. MALONE: We ask that the exhibits be marked 1, 2, 3 and 4.

(Marked Gulf's Exhibits Nos. 1, 2, 3, and 4, for identification.)

Q What is the well to which the acreage will be attributed in the event of the approval of application?

A This is Gulf's R. R. Bell "H" No. 1 located 1980 feet from the north line and 660 feet from the east line of Section 23, Township 19 south, Range 36 east.

Q How much acreage is now attributed to that well?

A 160.

Q The application merely seeks to add an additional 40 acres

A That is right.

Q The 40 acres is described as what?

A The northwest quarter of the northwest quarter of the southeast quarter of Section 23, Township 19 south, Range 36 east.

Q Who is the owner of the leasehold estate in all of the acreage included in the unit? A Gulf Oil Corporation.

Q Who is the owners of the royalty interest?

A State of New Mexico.

Q Have you testified as to the location of this well with reference to the boundaries of the proposed unit?

A I believe I have, yes, sir.

Q Will you give us a brief history of the well?

A This well was completed on June 6, 1954 at a depth of

3915 feet as a gas well in the Eumont Gas Pool. It is producing

Q If the unit is not approved, would it require the drilling of an additional well to accomplish that?

4

A It would.

Q In your opinion would the approval of the application prevent waste and protect correlative rights?

A Yes, sir.

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

MR. MACEY: Without objection they will be received.

A This well is tied into the Permian Pipeline Company, seven inch casing set at 3680, total depth 3915, and is producing from the open hole.

MR. MACEY: Any questions of the witness.

В**у** 

MR. REIDER: <u>CROSS</u> EXAMINATION

Q is that well completed to the Queen?

A Yes, sir.

Q It is producing some fluid right now?

A Yes, sir.

Q What is the approximate volume of the fluid?

A l believe in February measured 59 barrels for the month, which would give a ratio of around 380,000 as a rough calculation.

Q Do you have any figures since February?

A No, sir, I do not.

Q You wouldn't be aware whether it was increasing or not?

A Apparently not. During the six or seven months that it produced last year, I believe the figure was around five or six hundred barrels total, which was approximately the same as the monthly figure I just gave. 641 barrels since June of '54. I assume that

> ADA DEARNLEY & ASSOCIATES STENOTYPE REPORTERS ALBUQUERQUE, NEW MEXICO TELEPHONE 3-6691

is through February, this doesn't say.

Q There is a separator on the lease? Or is it producing directly into the line? A That I don't know.

MR. MACEY: If you are measuring the crude, you must have some kind of separation? A Must have.

MR. MACEY: Anyone else have a question? Anything further?

MR. MALONE: Nothing further.

MR. MACEY: If no further questions, the witness may be excused. We will take the case under advisement.

 $\underline{C} \ \underline{E} \ \underline{R} \ \underline{T} \ \underline{I} \ \underline{F} \ \underline{I} \ \underline{C} \ \underline{A} \ \underline{T} \ \underline{E}$ 

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings in the matter of Case No. 912, 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.

<u>Jaa Maanley</u> Reporter