

MAIN OFFICE 000

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BEFORE THE
OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

Santa Fe, New Mexico

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TRANSCRIPT OF PROCEEDINGS

CASE NO. 634

Regular Hearing

March 17, 1954

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Santa Fe, New Mexico
March 17, 1954

IN THE MATTER OF:

Skelly Oil Company's application for
approval of 80-acre unorthodox gas
proration unit in the Langmat Gas
Pool: W/2 SE/4 36-23S-36E.

Case No. 634

TRANSCRIPT OF PROCEEDINGS

MR. SPURRIER: The next case is 634.

MR. SELINGER: We are ready.

(Exhibits 1, 2, and 3,
Case No. 634, marked for
identification)

MAX E. CURRY

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. SELINGER:

Q State your name.

A Max E. Curry.

Q What company are you associated with?

A Skelly Oil Company.

Q In what capacity?

A As petroleum engineer.

Q Mr. Curry, have you heretofore testified before the
Commission as an engineer?

A I have.

Q Have you heretofore testified before the Commission on other applications for exceptions that Skelly Oil Company had with respect to unorthodox gas units?

A I have.

Q Are you familiar with Skelly Oil Company's operation in what is designated as Mexico-D lease?

A I am.

Q What section and township and range is that located in?

A It is located in Section 36, Township 23 South, Range 36 East.

Q That is in the Langmat Gas Pool?

A Yes.

Q Will you tell the Commission, reading from what has been marked as Skelly Exhibit 1, the date of the completion of this well?

A This well was originally completed in August, 1948. It was completed in the Queen's formation.

Q As an oil well?

A As an oil well.

Q Was that well subsequently completed duly in the gas zone?

A Yes, it was. It was in the Yates Section.

Q Is that gas section classified at the present time under one of the orders requiring proration for gas?

A It is.

Q Referring to what has been marked as Skelly Exhibit 2, will you state to the Commission what that is?

A Exhibit 2 is a sample log showing the method of completion and the relative positions of the formations in the Mexico-D Well.

Q Does it show the perforations and the packer and the casing point of the oil string?

A It does. It shows the open hole section from which the oil is produced, the position of the packer, the top of the Seven Rivers formation and the perforated interval in the Yates section from which the gas is produced.

Q Now, referring to what has been marked as Skelly Exhibit 3, which is a plat of the area, does that indicate the **subject well** of Case 634?

A It does.

Q What is that well designated as, Skelly D-1 Mexico?

A That is correct.

Q What size acreage tract is that well located on?

A It is an 80 acre tract, all of which is located in a Governmental quarter section.

Q Will you describe the 80 acres?

A The remaining 80 acres is, I mean the remaining 80 acres in the 160 acre quarter section is owned by Gulf.

Q What is the description of the Skelly Mexico D-1 80 acre tract?

A That would be the west half of the southeast quarter of Section 36, Township 23 South, Range 36 East.

Q Are there surrounding gas wells to the 80 acre tract?

A There are several.

Q Are there any gas wells in Section 36?

A There are. There is one in the southwest quarter, one in the northwest quarter, and there are two in the southeast quarter.

Q You have indicated the Gulf B-1, which is a direct east

off set to the Skelly Mexico D-1, as indicating a dual completion.

A Well, at the time this information was gathered, that well was shown as a dual completion well. However, the well is no longer a dually completed well. It has been, the gas section has been plugged.

Q Squeezed off?

A It has been squeezed off.

Q That well is now, presently, a single oil completion?

A That is correct.

Q In other words, Gulf has made attempts to dually complete that well into the gas, and so far has been unsuccessful--

A (Interrupting) Well--

Q (Continuing) --as far as that location is concerned?

A As far as that location is concerned, there is no gas well on it.

Q Mr. Curry, this case has been postponed twice before in an effort to work out an equitable arrangement with Gulf as to the gas reserves under the southeast quarter of Section 36. It is your information that such negotiations have been unsuccessful?

A I have been so informed, yes.

MR. SELINGER: We would like to offer in evidence Skelly's exhibits 1 through 3 inclusive.

MR. SPURRIER: Without objection, they will be received.

MR. SELINGER: That is all the information we have to give to the Commission.

MR. SPURRIER: Does anyone have a question of the witness? If not, the witness may be excused.

MR. SELINGER: I might say that Gulf is here. They can

express their own views on the matter if they so desire.

MR. MALONE: Ross Malone, representing Gulf Oil Corporation. Gulf would like to verify the facts that negotiations have been conducted between Skelly and Gulf, looking to a joint operation there. The negotiations have been unsuccessful, and Gulf has no objection to the granting of the application for the exception.

MR. SPURRIER: Anyone else? If not, we will take the case under advisement. The next case on the docket is Case 661.

