

BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 746 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  
July 15, 1954

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IN THE MATTER OF:

Application of El Paso Natural Gas Company  
for 160-acre unorthodox gas proration unit  
in Eumont Gas Pool: Lots 5, 6, 11 and 12  
of Section 2, Township 21 South, Range 36  
East.

}  
} Case No. 746  
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BEFORE:

Mr. E. S. (Johnny) Walker  
Mr. R. R. Spurrier

TRANSCRIPT OF HEARING

MR. WALKER: We will move on to Case 746.

MR. HOWELL: Mr. Evans will also be a witness in this case.

R O B E R T F. E V A N S ,

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

DIRECT EXAMINATION

By MR. HOWELL:

Q Please state your name for the record, Mr. Evans.

A Robert F. Evans.

MR. HOWELL: We would like to file, at this time, an  
amended application. Since filing the original application which  
asked for 160-acre unit, one of the offset operators, Amerada

Petroleum Company has requested that its 80 acres be included in the unorthodox unit, and we are now filing that amended application asking that the unit be a 240 acre unit consisting of Lots 3 and 4, 5 and 6 and 11 and 12 in Section 2, Township 21 South, Range 36 East.

MR. MACEY: Are you sure that there are 240 acres in that tract?

MR. HOWELL: The map so shows.

MR. MACEY: I thought the north lots were a little smaller.

MR. HOWELL: Our plats so show. It is a long section in which there is a section and a half. I think it is in that particular section, and I checked our own lots at first and each of our lots had 40 acres, I am positive, at the beginning.

MR. WALKER: Does anyone have an objection to the amended application? If not it will be received.

Q Mr. Evans, do you have a plat showing the location of Section 2 in Township 21 South, Range 36 East?

A Yes, sir.

(Marked Exhibits 1 through 5, for identification.)

MR. HOWELL: Will you hand the plat to the Commission?

Q Does El Paso Natural gas hold the lease-hold rights on Lots 5 and 6, 11 and 12 in that section?

A Yes, sir, that is correct.

Q Do those lots each contain 40 acres?

A Yes, sir, 40 acres.

Q Is that located within the Eumont Gas Pool?

A Yes, sir, that is correct.

Q I believe that to the north of the four lots owned by El Paso are lots 3 and 4 containing 40 acres each, is that correct?

A 40 acres, more or less, I am not certain as to the exact acreage.

Q Is that adjoining tract to the north owned by Amerada Petroleum Corporation?

A Yes, sir, that is correct.

Q What other wells or production is there in that immediate area?

A There is the Sun - Aikens Well located in Section 3. It is in the southeast quarter of the northeast quarter.

Q Within Section 2, is Lots 13 and 14 in the north half of the southwest quarter of that Section 2 owned by Gulf Oil Corporation or operated by Gulf Oil Corporation?

A Yes, sir, that is correct.

Q Janda Number 1 Well, oil well now producing on that tract?

A Yes, sir.

Q Then is there a 320 acre tract comprising Lots 1, 2, 7, 8, 9, 10, 15, 16 of Section 3 operated by Warren Petroleum Corporation?

A Yes, sir.

Q That is in the adjoining Section 3?

A Yes, sir.

Q To the east, in Lots 1, 2, 7 and 8, containing approximately 160 acres there is a Cities Service Company operator?

A Yes, sir.

Q Lots 9 and 10, 15 and 16, Southeast quarter of that section, 320 acre Stanolind Oil and Gas Company is operator?

A Yes, sir, that is correct.

MR. HOWELL: We offer letters from Warren Petroleum Company, Stanolind and Cities Service Company.

Q What formation is the distinction of this well that El Paso Natural Gas Company desires to drill?

A That is the Queen Formation at approximately 3,600 feet from the surface.

Q That will be a gas well?

A Yes, sir.

Q Is that area reasonably proven, all of the 240 acres included in this amended application, reasonably proven productive of gas?

A Yes, sir.

Q In your opinion, is it necessary that an unorthodox drilling location be granted and approved in order that the owners of the gas rights in this 240 acres can recover their fair share of the gas?

A Yes, sir, that is correct.

MR. HOWELL: We offer the plat and several letters.

MR. WALKER: Without objection they will be admitted. Any further questions of the witness? Any comments in this case?

MR. CHRISTIE: R. S. Christie, Amerada Petroleum. We have no objection to the application, in fact, we urge that the Commission approve the amended application by El Paso.

MR. WALKER: Anyone else? If not the witness may be excused and the case will be taken under advisement.

(Witness excused.)

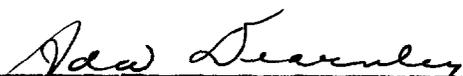
MR. MALONE: If I may add a statement to the record in this case. Ross Malone, on behalf of Gulf Oil Corporation. Gulf is the owner of the south offset and has no objection to the granting of the non-standard unit as requested.

MR. WALKER: Anyone else? If not the case will be taken under advisement and we will take a short recess.

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 July, 1954.

  
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Notary Public and Court Reporter

My Commission Expires:  
June 19, 1955