

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO
Hobbs, New Mexico
October 20, 1954

IN THE MATTER OF:

CASE NO. 782 - 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
HOBBS, NEW MEXICO
October 20, 1954

IN THE MATTER OF:

The application of the Ohio Oil Company
for approval of a non-standard gas pro-
ration unit.

Applicant, in the above-styled cause,
seeks approval of a 320-acre non-stand-
ard gas proration unit pursuant to pro-
visions of Rule 7 (a) of Order No.
R-373-A and consisting of the N/2 of
Section 11, Township 22 South, Range 37
East, NMPM, Lea County, New Mexico, in
the Tubb Gas Pool.

Case No. 782

BEFORE:

Honorable Edwin L. Mechem
Mr. E. S. (Johnny) Walker
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: We will proceed with Case 782.

MR. COUCH: If it please the Commission, this is Ohio's
application for non-standard proration unit in the Tubb Gas Pool.

D. K. SPELLMAN, JR.

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

DIRECT EXAMINATION

By MR. COUCH:

Q Will you state your name, please?

A D. K. Spellman, Jr.

Q What is your position and by whom are you employed, Mr.

Spellman?

A Employed by the Ohio Oil Company as District Petroleum Engineer for its Midland District.

Q Does that district include, and are you acquainted with the Tubb Gas Pool in Lea County, New Mexico?

A It does, and I am.

Q Are you familiar with the Ohio's lease on the north half of Section 11, Township 22 South, Range 37 East in Lea County?

A Yes, sir, that is our designated Lou Wortman Lease.

Q That tract contains approximately how many acres, Mr. Spellman?

A 320 acres, more or less.

Q Is that the tract for which the Ohio is seeking a designation as a non-standard proration unit in the Tubb Gas Pool?

A That is the tract.

Q What well of the Ohio is now completed in the Tubb Gas Pool on that tract?

A Ohio Lou Wortman Well Number 9.

Q What is the location of that well?

A It is located in the southwest quarter of the northwest quarter of Section 11 of Township 22 South, Range 37 East and is further identified as being 1,905 feet from the north line of the section and 440 feet from the west line of the section.

Q It would be approximately 735 feet north of the south line of this proposed non-standard unit? A That is correct.

(Marked Ohio's Exhibit A, for identification.)

Q Mr. Spellman, I hand you a plat that indicates the area. It is marked Exhibit "A", and is a copy of the plat attached to the

Ohio's application in this case, is it not?

A Yes, sir, that is the plat of the Wortman Lease.

Q Is it impractical to pool the Ohio's 320-acre lease that we have under discussion here with adjoining acreage so as to form a larger gas proration unit?

A In my opinion it is.

Q Is it your opinion that this Lou Wortman Well No. 9, as presently completed into the Tubb Gas Pool is capable of producing twice the allowable that has been currently assigned to 160-acre unit in that gas pool?

A I believe it is.

Q Is it your opinion that the Ohio will be deprived of a fair opportunity to recover its just and equitable share of the gas in that pool if the non-standard proration unit is not granted?

A That is my opinion.

Q Will the creation of this proration unit result in waste or create waste?

A No, sir.

Q Will it protect the correlative rights of the Ohio?

A It will.

Q And will not injure the correlative rights of adjoining owners?

A It will not.

Q In your opinion is the entire 320 acres reasonably deemed to be productive of gas from the Tubb Formation?

A Yes, it is from the Tubb Formation.

MR. COUCH: I have no further questions.

MR. MACEY: Let me ask you a question. What zone is the

well presently producing in?

MR. COUCH: Dually producing into the Tubb.

MR. MACEY: Is it connected and producing?

A It has been since sometime in June, dually completed, both in the Tubb and Blinebry.

MR. MACEY: If the application is granted, I was thinking of the effective date of the increase of the allowable.

A It has been producing since approximately the end of June.

MR. MACEY: Did you introduce this exhibit?

MR. COUCH: I do introduce that exhibit and a copy of the application, and it is a copy.

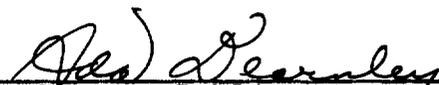
MR. MACEY: Is there objection to the introduction of Exhibit "A" in Case 782? If not the Exhibit will be received in evidence. Any questions of the witness? Do you have anything further? If not the witness may be excused and the case taken under advisement.

(Witness excused.)

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 Hobbs, 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 9th day of November, 1954.


Notary Public, Court Reporter

My Commission Expires:
June 19, 1955