

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO
January 13, 1955

IN THE MATTER OF:

CASE NO. 808 - 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
January 13, 1955

IN THE MATTER OF:

Application of Gulf Oil Corporation for an
exception to Rule 309 in utilization of a
single tank battery for production from a
maximum of 10 wells drilled to the Drinkard
formation on its Harry Leonard 'G' Lease in
33-24S-38E and 4-25S-38E, Lea County, New
Mexico, in the Dollarhide-Drinkard Pool.

Case No. 308

BEFORE:

Honorable John Simms, Jr.
Mr. E. S. (Johnny) Walker
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 808.

W. G. S I N C L A I R ,

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

DIRECT EXAMINATION

By MR. UPCHURCH:

Q State your name, please?

A W. G. Sinclair, Junior.

Q You have just previously testified in Case 807, have you
not?

A Yes, I have.

Q This Case 808 involves Gulf's application for the use of a
single tank battery for production from
~~producing~~ a maximum of ten wells from this particular lease into

a single battery, does it not?

A That is correct.

Q What is the description of the property covered by this particular lease?

A This lease is composed of the north half of the northwest quarter and the ⁵wouthwest quarter of Section 33, Township 24 South, Range 38 East, and the northwest quarter of Section 4, Township 25 South, Range 38 East, Lea County, New Mexico.

Q This is a part of the same base lease as the lease involved in Case 807?

A Yes.

Q The State lease and royalty ownership is all in the State?

A Yes, sir.

Q How many wells on this property at the present time?

A There are nine wells producing from the Dollarhide-Drinkard Pool at the present time.

Q All nine of these wells are being produced into a single battery?

A That is correct.

Q Is that under a temporary commission of the Commission?

A Yes, sir, it is.

Q Do you have a plat of this particular lease, the Harry Leonard G, which you might furnish the Commission, showing the location of these wells?

A Yes, sir, I do.

MR. UPCHURCH: We would like to introduce this as Gulf's Exhibit 1.

(Marked Gulf's Exhibit No. 1, for identification.)

MR. MACEY: Any objection to the introduction of Exhibit 1 in Case 808? If not it will be received.

Q Mr. Sinclair, referring to the Exhibit which was just introduced, how many possible additional locations could be made under the spacing rules for the wells to be drilled into the Dollarhide-Drinkard Oil Pool?

A Only one possible location.

Q A maximum of ten wells producing into the one battery, should the Commission grant this application?

A Yes.

Q At the present time is the battery of sufficient capacity to handle the production from all ten wells?

A Yes, sir, it is.

Q What disposition is being made for the casinghead gas being produced in this particular lease?

A The casinghead gas is being purchased by El Paso Natural.

Q Should the Commission grant this application, how many days of production could be held in storage under present allowables from a maximum of ten wells?

A Slightly in excess of three days.

Q Would there be adequate facilities to permit the taking of the required tests?

A Yes, sir, there would be.

Q In other words, this would involve the taking of the tests on two additional wells?

A That is correct.

Q It would be done in the same manner as the tests are now being taken?

A Same manner.

Q Will the granting result in substantial savings, both in steel and money, and reduce the cost of operation and maintenance, prevent waste and protect correlative rights?

A Yes.

MR. UPCHURCH: That is all.

MR. MACEY: Any questions of the witness? If not the witness may be excused.

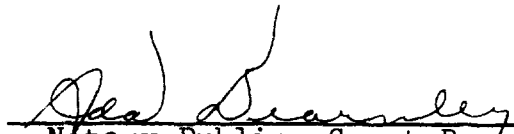
(Witness excused.)

MR. MACEY: We will take the case under advisement.

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 January, 1955.


Notary Public, Court Reporter

My Commission Expires:
June 19, 1955