

BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO  
February 17, 1955

IN THE MATTER OF:

CASE NO. 839

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  
February 17, 1955

IN THE MATTER OF:

The application of E. G. Rodman for approval of a non-standard gas proration unit.

Applicant, in the above-styled cause, seeks an order approving the creation of a 160-acre non-standard gas proration unit in exception to Rule 5(a) of the Special Rules and Regulations for the Jalmat Gas Pool, as set forth in Order R-520; said unit to consist of E/2 SE/4 and SW/4 SE/4 of Section 21, and NE/4 NE/4 of Section 28 in Township 25 South, Range 37 East, Lea County, New Mexico.

Case No. 839

BEFORE:

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

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 839.

MR. HINKLE: If the Commission please, Clarence Hinkle, Roswell, representing E. G. Rodman. I would like to have Mr. Rodman sworn.

E A R L G. R O D M A N ,

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

DIRECT EXAMINATION

By MR. HINKLE:

Q State your name, please.

A Earl Rodman, Junior.

Q Where do you live?

A Odessa, Texas?

Q What business are you engaged in?

A Gas production.

Q Do you have any gas production in Lea County?

A Yes, sir.

Q What is your profession?

A Petroleum Engineer.

Q Are you a graduate engineer?

A Yes, sir.

Q What schools?

A University of Texas.

Q When did you graduate?

A 1949.

Q Are you familiar with operations in Southeast New Mexico for gas and oil production?

A Yes.

Q Do you represent your father in his leasehold interests in Lea County, New Mexico?

A Yes, sir.

Q That is E. G. Rodman?

A Yes, sir.

Q Does he have an oil and gas lease covering lands in Sections 21 and 28 in Township 25 South, Range 37 East?

A Yes, sir.

Q Have you prepared a plat showing the location of this lease?

A Yes, sir, I have.

(Marked E. G. Rodman's Exhibit No. 1, for identification.)

Q Will you refer to Exhibit 1 and state to the Commission what it shows?

A Exhibit 1 shows acreage outlined in red, covered by the E. G. Rodman Hatfield Lease. It consists of 160 acres.

Q That covers the east half of the southeast quarter and the southwest of the southeast of Section 21?

A Yes, sir.

Q And, the northeast of the northeast of Section 28, does it not?

A Yes, sir.

Q In what gas pool is that located?

A That is in the Jalmat Gas Pool.

Q Is that lease owned by your father, E. G. Rodman?

A Yes, it is.

Q Are you in charge of the operation and development of that lease?

A Yes, sir.

Q Are you familiar with the entire area?

A Yes, I am.

Q Does that plat also show the wells which have been drilled on the lease and surrounding it?

A Yes, sir, it does.

Q Is the royalty ownership of the entire lease uniform?

A Yes, sir, it is.

Q Where is Well No. 1 located?

A Well No. 1 is located 1980 feet from the east line and 660 feet from the south line of Section 21.

Q When was that well drilled?

A It was drilled and completed as a gas well in 1947.

Q What is the potential or the deliverability for that well?

A That well showed an open-flow potential of 6,000,000 cubic feet per day.

Q Is that at the present time? A Yes, sir.

Q Do you have a pipeline connection for the well?

A Yes, El Paso Natural.

Q It is connected at the present time?

A Yes.

Q Is that well completed within the vertical limits of the Jalmat? A Yes, sir, it is.

Q Where is Well No. 2 located?

A Well No. 2 is located 660 feet from the east and 660 feet from the south lines of Section 21.

Q When was that well completed?

A That well was completed in 1949.

Q At what depth?

A Around 3,000 feet.

Q Is that in the Yates formation?

A Yes, sir, it is.

Q That is within the vertical limits of the Jalmat?

A Yes, sir.

Q Are both of these wells producing from the same reservoir, in your opinion?

A Yes, they are.

Q What is the potential or the deliverability of Well No. 2?

A Well No. 2 will show an open-flow of around three and a half million cubic feet.

Q Are both of these wells on the proration schedule at the

present time and have pipeline connections?

A No, sir, they are not.

Q Which one is shown on the proration schedule?

A Number 1 is carried on the proration schedule.

Q Why is it that No. 2 hasn't been shown on the proration schedule?

A No. 2 was carried on the proration schedule for awhile with an 80-acre allowable, but in May it was dropped and 120 acres was assigned to No. 1. Previous to that time No. 1 was carried with 40-acre allowable, and No. 2 with 80, but sometime between April and May they dropped No. 2 and --

Q (Interrupting) Did you request the Commission to do that, or how did that happen?

A We didn't request the Commission to do that, no.

Q It was just put on the proration schedule that way. As a result of it the gas has all been taken since May, from Well No. 1?

A Yes, No. 1 has a 120-acre allowable now.

Q Do you have a pipeline connection for No. 2?

A Yes.

Q You can produce gas from either or both of them at the present time?

A Yes, sir, we can.

Q Mr. Rodman, state whether or not, in your opinion, either or both of those wells will effectively and efficiently drain all of the acreage in the lease, including the northeast, northeast of Section 28?

A I believe either one of them will drain the acreage. Either one will produce enough to drain that much allowable.

Q Is it your opinion that all of this acreage, the entire 160 acres is productive of gas?

A Yes, sir, it is.

Q That is reasonably proved, is it not, by the fact that you have two wells, one of them located on the east side and the other on the west side of the lease?

A Yes, sir.

Q Is the northeast quarter of the northeast quarter of Section 28 in any proration unit at the present time?

A No, sir, that 40 acres is not in any proration unit.

Q It is not included on the proration schedule?

A No, sir.

Q Do you know whether or not Culbertson and Irwin are regarding the balance of the 120 acres in the northeast quarter of 28 as a proration unit?

A Yes, they have a 120 acre unit.

Q Did you ever contact Culbertson and Irwin and obtain a waiver from them in regard to having the northeast northeast of Section 28 considered a part of your proration unit in the southeast of Section 21?

A Yes, sir, and I have that waiver with me.

Q At the time this application was filed, did you give notice to any of the adjoining leaseholders of the application?

A Yes, sir, I mailed application for the hearing to Argo, Humble, Olsen, Culbertson-Irwin and Anderson-Pritchard.

Q That ownership is shown on the plat?

A Yes, sir.

Q Mr. Rodman, in your opinion, if the proration non-standard unit is approved by the Commission, will it be in the interest of

conservation and prevention of waste?

A Yes, sir.

Q Will it tend to protect correlative rights?

A Yes, sir.

Q And, particularly the royalty ownership under the northeast northeast of Section 28, which is not included in any unit at the present time?

A Yes, sir.

MR. HINKLE: I believe that is all.

MR. MACEY: Any questions? Mr. Reider?

CROSS EXAMINATION

By MR. REIDER:

Q Does this well of yours show any spray oil, or do you have a separator?

A No, sir, we do not have a separator on that lease.

Q It has never been checked as to whether there was any oil being produced?

A What was the question?

Q You have never noted any oil being produced from it?

A No, sir, I have blown the wells down several times and never got any oil out of either of them.

Q Do you know that two locations to the north, the Leonard Oil Company's Leonard No. 1 is producing oil from the Yates?

A I didn't know they had an oil well on that 80-acre lease. I do know they have a gas well located down in the southwest corner that has an 80-acre proration unit.

Q You say the southwest and the northeast?

A Their gas well is located 330 feet from the south and 330

feet from the west of that particular 80-acres directly north of our lease.

Q The east offset to that well is the well to which I had reference.

A That is an oil well.

Q That is producing oil from the Yates?

A We haven't had any indication of oil from any of our wells. Since we have two, we would be glad to make an oil well out of one of them and a gas well out of the other, if we get into that situation.

Q Would you mind answering why two wells on such small tracts?

A When those wells were drilled, the gas proration was quite a bit less complicated than it is today.

BY MR. RHODES:

Q You intend to split the allowable between the two wells for the time being?

A Well, we are not particularly interested in how the gas is taken out of the two wells. What we are primarily interested in is getting credit for the other 40 acres.

Q You intend to produce both wells regardless of what the ratio is?

A We will leave that up to the Commission. I feel it would be well to take the allowable out of No. 1, one and have one less chart. However, it doesn't make any difference how the 160 is divided up between the two wells. No. 1 is the best well.

By MR. REIDER:

Q For your further information, the Humble Hatfield No. 1, which is the immediate north offset to your No. 1, is also carried

on our schedule, productive of oil from the Yates?

A Yes, sir, that is a small oil well.

Q You believe that the northeast, or the southeast would still be productive of gas?

A North -- Yes, sir, I do. That lies in between two gas wells.

MR. REIDER: No further questions.

MR. MACEY: Anyone else? Do you have anything further?

MR. HINKLE: No.

MR. MACEY: If nothing further we will take the case 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 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 28th day of February, 1955.

  
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Notary Public, Court Reporter

My Commission Expires:  
June 19, 1955