

BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO  
July 14, 1955

IN THE MATTER OF:

CASE NO. 929

TRANSCRIPT OF PROCEEDINGS

**ADA DEARNLEY AND ASSOCIATES**  
COURT REPORTERS  
605 SIMMS BUILDING  
TELEPHONE 3-6691  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
July 14, 1955

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IN THE MATTER OF: )  
)  
)

Application of R. Olsen Oil Company for )  
approval of a 160-acre non-standard gas )  
proration unit in the Tubb Gas Pool, Lea )  
County, New Mexico, to consist of SE/4 NW/4, )  
E/2 SW/4, SW/4 SW/4 of Section 25, Township )  
22 South, Range 37 East, and to be dedicated )  
to applicant's proposed well to be drilled in )  
the center of the SE/4 NW/4 of Section 25. )

) Case 929  
)  
)  
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BEFORE:

Mr. E. S. (Johnny) Walker  
Mr. William E. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 929.

D E W E Y   W A T S O N

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

DIRECT EXAMINATION

By MR. CAMPBELL:

Q Will you state your name, please?

A Dewey Watson.

Q By whom are you employed, Mr. Watson?

A The R. Olsen Oil Company.

Q In what capacity?

A Geological engineer.

Q Have you testified previously before this Commission as a geological engineer?

A Yes, sir.

MR. CAMPBELL: Are the witness's qualifications acceptable to the Commission?

MR. MACEY: They are.

Q Are you acquainted with the application of the R. Olsen Oil Company in Case 929?

A Yes, sir.

Q Will you state for the record what you seek by that application?

A We desire for the approval of <sup>160</sup>180-acre non-standard gas proration unit in the Tubb Gas Pool, to consist of the southeast quarter of the northwest quarter, east half of the southwest quarter, southwest quarter of the southwest quarter, Section 25, Township 22 South, Range 37 East. That is to be dedicated to the well that we propose to drill.

Q What other wells are now situated on this proposed unit?

A We have one well completed in the Blinebry gas zone, our Sims No. 1.

Q Has this Commission previously by its order approved the formation of a unit of the same shape and size for the Blinebry Gas Pool?

A Yes, sir, it has.

Q Has your company previously undertaken to obtain approval of royalty owners under this lease, which, I believe, is designated as your Sims lease, and Blinebry lease comprising the balance of the west half of the Section?

A Yes, sir.

Q Have you been able to obtain the approval of royalty owners to a communitization or pooling agreement?

A No, sir.

(R. Olsen Oil Company's Exhibit  
No. 1 marked for identification.)

Q I hand you what has been marked R. Olsen's Exhibit No. 1 and ask you to state what that is.

A This is a contour map on the top of the Tubb Formation at 25 foot contour intervals.

Q Did you prepare that contour interpretation?

A Yes, sir, I did.

Q What was it based on?

A It was based on the Tubb zone as designated by the Commission, the top of the Tubb.

Q Based upon your interpretation as indicated by that contour, in your opinion can this entire proposed 160-acre unit reasonably be presumed to be productive of gas from the Tubb Formation?

A Yes, sir, I believe so.

Q All of this unit is situated within a single Section, is it not?

A Yes, sir.

Q All of the tracts involved are contiguous 40-acre tracts, aren't they?

A Yes, sir, they are.

MR. CAMPBELL: That is all.

MR. MACEY: Any questions of the witness? Mr. Watson, I have one question. You say you tried to get the royalty owners' approval. You mean the remaining royalty owners on the other acreage in the west half?

A This 40 is situated in the northwest quarter of Section 25 where the well is proposed. The remaining 120 is in the southwest

quarter. We propose to get the 160 acres in the northwest quarter, and were unable to do so.

MR. WALKER: Did any of them give you any reason for not --

A (Interrupting) That is more or less a family affair and it is a little hard to untangle.

MR. WALKER: Which family?

A Sims.

MR. MACEY: I take it rather than go the route of trying to force the royalty owners to submit to standard 160, you have taken to forming a 160 acre out of one basic lease?

A Yes, sir.

MR. MACEY: Do you intend to do the same thing out of the 160 in the west half?

A Yes, sir.

MR. MACEY: If no further questions, the witness may be excused.

(Witness excused.)

MR. CAMPBELL: I offer in evidence Exhibit No. 1 for R. Olsen Oil Company.

MR. MACEY: Without objection it will be admitted. Anyone have anything further in Case 929? If nothing further, we will take the case under advisement.

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STATE OF NEW MEXICO     )  
                                  :    ss.  
COUNTY OF BERNALILLO    )

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached proceedings before the Oil Conservation Commission, 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 26th day of July, 1955.

  
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Notary Public, Court Reporter

My Commission Expires:

June 19, 1959.