

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO
July 11, 1956

IN THE MATTER OF:

CASE NO. 1095

TRANSCRIPT OF PROCEEDINGS

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

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
HOBBS, NEW MEXICO
JULY 11, 1956

IN THE MATTER OF: :

CASE NO. 1095: Application of Gulf Oil Corporation for :
an order granting a 120 acre non-stand- :
ard gas proration unit in the Eumont Gas :
Pool, Lea County, New Mexico, in excep- :
tion to Rule 5 (a) of the Special Rules :
and Regulations of the Eumont Gas Pool, :
as set forth in Order R-520. Applicant, :
in the above-styled cause, seeks an :
order granting the establishment of a :
120 acre non-standard gas proration unit :
comprising the SW/4 SW/4 of Section 4 :
and the W/2 NW/4 of Section 9, Township :
21 South, Range 36 East, Eumont Gas Pool, :
Lea County, New Mexico; said unit to be :
dedicated to Gulf's Bell-Ramsay "A" Well :
No. 5 located 660 feet from the South :
and West lines of said Section 4. :

BEFORE:

Warren W. Mankin, Examiner.

T R A N S C R I P T O F P R O C E E D I N G S

MR. MANKIN: The next case on the docket is Case No. 1095.

MR. WALKER: Don Walker, Gulf Oil. Apparently, I misfired on my attorney, but if it is all right with the Examiner, I would like to go ahead and put on my case rather than wait.

MR. GURLEY: Application of Gulf Oil Corporation for an order granting a 120 acre non-standard gas proration unit in the Eumont Gas Pool, Lea County, New Mexico, in exception to Rule 5 (a) of the Special Rules and Regulations of the Eumont Gas Pool, as set forth in Order R-520.

(Witness sworn.)

D O N W A L K E R,

the witness on behalf of the applicant, having been first duly sworn on oath, testified as follows:

MR. WALKER: I am Don Walker, petroleum engineer for Gulf Oil Corporation. I have testified many times before this body, and if my qualifications are acceptable, I will go ahead.

MR. MANKIN: They are acceptable.

MR. WALKER: Thank you. This concerns our request as advertised in Case 1095 for a non-standard gas proration unit in the Eumont Gas Pool consisting of the SW/4 SW/4 of Section 4 and the W/2 NW/4 of Section 9, Township 21 South, Range 36 East, Lea County, New Mexico. We propose to assign this 120 acres to our Bell-Ramsay "A" Well No. 5 which is located 660 feet from the West line and 660 feet from the North line of Section 4, Township 21 South, Range 36 East, Lea County, New Mexico. I have a platt here which we will call Exhibit 1, which sets out the Gulf's Bell-Ramsay No. 5 which was originally treated October 15, 1955, in the upper San Andres formation of the Eunice Gas Pool. On April 28, 1956, this well was plugged back to 3672 feet and recompleted in the Queen formation through casing perforations from 3350 to 3380 feet, 3395 to 3455 feet, and 3475 to 3495 feet, all of which is within the vertical limits of the Eumont Gas Pool. These are perforated with two and one-half inch jet hose per foot in that interval. Here, as Exhibit 2, we have a log, radio active log which sets out the top of the Yates and top of the Queen, the plugback depth, casing point and the perforated interval. The royalty interests under this proposed unit all belongs to the State of New Mexico. This well was connected to the Permian

Basin Pipe Line Company's gathering system on June 11, 1956, and it is closed in pending the approval of this 120 acre unit requested. The maximum flow on the initial test at a back pressure of 400 lbs. per square inch was 3953 M.C.F. per day. The estimated open flow potential is 6250 M.C.F. per day. The acreage included in this proposed 120 acre unit can be reasonably assumed to be productive of gas. I have an exhibit, I believe, of the top of the Yates contour. I have already presented that. I am sorry. Also, I have an exhibit here which shows the units in the immediate area which have been approved in each direction from this proration unit. In view of the contours indicated on the Exhibit No. 1, and the fact that this well is surrounded by gas wells producing on all sides of the 120 acre unit, we can reasonably assume this 120 acres to be productive of gas. We believe that correlative rights of the offset operators will not be impaired, and we need to have this unit approved across section lines in order to get our fair share of the gas in this area. I believe that is all that I have to present.

MR. GURLEY: You have notified all of the offset operators?

MR. WALKER: Yes, sir. In our letter of application to the Commission, which was dated June 1st, we notified all offset operators within a 1500 foot radius of the proposed well.

MR. GURLEY: The list on the application constitutes all of the operators?

MR. WALKER: Yes, sir, and this well produces no fluid. As a matter of fact, it is still closed in. I don't anticipate it will produce any fluid and I believe I said it is connected to the Permian Basin Pipe Line. I believe that is all.

MR. MANKIN: Any questions of the witness in this case?
Did you wish to have Exhibits 1, 2 and 3 introduced?

MR. WALKER: I would like to have all the Exhibits, 1, 2 and 3 marked and made a part of this record.

MR. MANKIN: Is there any objection to the Exhibits 1, 2 and 3 in this case? If not, they will be entered.

(Whereupon, Exhibits 1, 2 and 3 were admitted in evidence.)

MR. WALKER: There is one other point I forgot to make. There are two other oil wells on this unit, but they are producing from the Eunice Oil Pool in the upper San Andres formation.

MR. MANKIN: Any further questions of the witness in this case? If not, the witness may be excused. Is there anything else to be presented in this case? If not, we will take the case under advisement.

