

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 7, 1956

IN THE MATTER OF:

Application of Gulf Oil Corporation
for approval of a non-standard gas
proration unit in the Eumont Gas
Pool in exception to Rule 5 (a) of
the Special Rules and Regulations
for the Eumont Gas Pool as set forth
in Order R-520. Applicant, in the
above-styled cause, seeks an order
authorizing a 200 acre non-standard
gas proration unit in the Eumont Gas
Pool comprising the NE/4 and SE/4
NW/4 of Section 8, Township 20 South,
Range 37 East, Lea County, New Mexico;
said unit to be dedicated to appli-
cant's Bertie Whitmire Well No. 2
located 660 feet from the North line
and 1980 feet from the East line of
said Section 8.

Case No. 1123

BEFORE:

Warren W. Mankin, Examiner

TRANSCRIPT OF HEARING

MR. MANKIN: The next and last case is No. 1123.

(Mr. Mankin thereupon read the title of the within case.)

MR. CAMPBELL: Mr. Jack M. Campbell of Campbell and Russell,
of Roswell, New Mexico, appearing on behalf of Gulf Oil Corporation.
We have one witness to be sworn.

(The witness was sworn by Mr. Mankin.)

MR. DON WALKER

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

DIRECT EXAMINATION

By MR. CAMPBELL:

Q State your name, please?

A Don Walker of the Gulf Oil Corporation for the Ft. Worth Division. I am Proration Engineer for Gulf, and I live at Harlingen, Texas.

Q Have you testified on previous occasions before this Commission?

A Yes, sir.

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

MR. MANKIN: They are.

Q Mr. Walker, in your capacity with Gulf Oil Corporation, are you acquainted with the application in Case No. 1123 before this Commission?

A Yes, sir.

Q I hand you what has been marked Gulf's Exhibit No. "1" in Case No. 1123 and ask you to state what that is?

A This is a plat of the lease concerned which is our Bertie Whitmire Lease, 160 acres, located in Section 8, Township 20 South, Range 37 East, which is indicated in red on the plat, and also 40 acres of ~~Cities~~ Service Laughlin Estate Lease -- Gulf and ~~Cities~~ Service ^{they} have a signed agreement and/have joined their 40 with our 160 to make a non-standard proration unit of 200 acres.

Q Can you give the location of the proposed unit well, please?

A Yes, sir. The well is located 660 feet from the north line and 1980 feet from the east line of Section 8, Township 20 South, Range 37 East, in Lea County, New Mexico

Q Is the well not productive within the vertical and horizontal limits of the Eumont Gas Pool?

A It is, sir.

Q Will you give a brief production history of this well?

A It was originally completed February 11, 1956, at a total depth of 3891 feet, the producing interval being from 3720 to 3891 feet in the Upper San Andres formation of the Monument Oil Pool; seven-inch casing was set and cemented at 3822 feet. On January 13, this year, this well was successfully dually completed so as to produce gas from the Queen Formation of the Eumont Gas Pool. The seven-inch casing was perforated from 3217 to 3290 and 3330 to 3365, the packer being set at 3715. The present producing interval at the Monument oil zone is 3760 to 3790.

Q Do you have any information on the present capacity of the well to produce?

A Yes, sir. this well which is tied into the Permian Basin pipeline complete gathering system. It was tied in on February 12th of this year, and had a maximum flow on initial depth of 9,120 m.c.f. and back pressure of 825 pounds.

Q I hand you what has been marked Gulf's Exhibit No. 2 in Case No. 1123 and ask you to state what that is.

A This is a radio active Lane Wells log on the well which shows the flow to that depth and so forth, but gives the top of the Yates, the top of the Seven Rivers, the top of the Queen, the

perforated interval in the Queen pay, and the present Monument pay interval.

Q I hand you Gulf's Exhibit No. 3 in Case No. 1123 and ask you to state what that is, please?

A This is a contour structural map on top of the Queen formation which has been overlaid on this plat to show the contours covering the proposed unit. Also outlined is the Gulf Bertie Whitmire Lease and the Cities Service, and the proposed Well No. 2.

Q I hand you Gulf's Exhibit No. 4 in Case No. 1123, and ask you to state what that is?

A Exhibit four is merely another plat of the general area or the area within a mile or so of the proposed unit, and we have outlined in green the now-approved--or as far as I can tell, the now-approved--gas proration units in the Eumont Pool which, as indicated there, our proposed unit is completely surrounded by presently approved Eumont units.

Q I note this plat and the previous one indicate a 40-acre tract in the unit in which Cities Service is a working interest owner?

A Yes, sir.

Q Have you and Cities Service executed a pool agreement by which that interest was pooled for the purpose of establishing a casing unit?

A Yes, an agreement has been reached and it is all signed and ready to become effective as soon as this case is approved.

Q And you will furnish the Commission with either a copy of the agreement or an affidavit that such agreement has been executed?

A Yes, sir.

Q Based upon your knowledge of this proposed unit, upon the log and the contour and the presently existing gas units surrounding the proposed unit, is it your opinion that the entire unit may be reasonably presumed to be productive of gas?

A Yes, sir.

Q And all off set operators have been notified in connection with this application?

A They have, sir.

Q In your opinion, will any waste result if this application is approved?

A No.

Q Will the correlative rights of Gulf Oil Corporation be protected if such application is approved?

A Yes.

Q In your opinion will the correlative rights of any other owners or operators in the area be adversely affected if the application is approved?

A They will not. As indicated in the application Gulf is the owner and operator of the Bertie Whitmire Lease and the mineral -- it is fee land and the state hasn't been involved in this.

MR. CAMPBELL: I would like to offer in evidence Gulf's Exhibits 1,2,3, and 4 in Case No. 1123.

MR. MANKIN: Without objection Exhibits 1, 2, 3, and 4, will be entered in evidence. The only question I have Mr. Walker is this: Is this well, does it now have any limits, to your knowledge, that is the gas well?

A No, it is not limited.

MR. MANKIN: It is completely within the horizontal and vertical limits of the Eumont Pool?

A Yes, sir.

MR. MANKIN: Are there any other questions, if not, the witness will be excused and the hearing will be adjourned.

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STATE OF NEW MEXICO)
 : SS.
COUNTY OF SANTA FE)

I, DOROTHY B. MYERS, a Court Reporter, do hereby certify the foregoing and attached transcript of proceedings before the Oil Conservation Commission for the State of New Mexico, was reported by me in shorthand and reduced to typewritten transcript by me or under my personal supervision, and that the same is a true and complete record to the best of my knowledge, skill and ability.

WITNESS my hand and seal this 5 day of Sept, 1956.

Dorothy B. Myers
Court Reporter

NEW MEXICO OIL CONSERVATION COMMISSION
MABRY HALL - STATE CAPITOL
SANTA FE, NEW MEXICO

REGISTER

HEARING DATE August 7, 1956 TIME: 10:00 a.m.

NAME:	REPRESENTING:	LOCATION
R. M. Richardson	Humble Oil Co.	Roswell, N.M.
E. M. McLaughlin	Shell Oil Co.	Hobbs, N.M.
A. A. Phillips	Humble Oil & Gas Co.	Roswell, N.M.
H. C. Merrill	Sinclair Oil Co.	" "
W. B. Abbott	Amerasia Pet Corp	Monument, N.M.
R. M. Anderson	Sinclair	Midland, Tex
L. A. WEBB	-	-
James H. Hays	Richardson & Bass & Humble	Torrill
C. C. Hagan Jr.	WARREN Pet Corp	Roswell
Barry Bass	Richardson & Bass	Fort Worth, Tex
Jack M. Campbell	Campbell + Russell	Roswell, N.M.
O. K. Gilbert	Gulf Oil	Roswell
Constance Eddington	-	Hobbs
Don Walker	-	Fort Worth
Howard Jennings	Richardson & Bass	Roswell, N.M.
VICTOR T. LYON	CONTINENTAL OIL CO	ROSWELL, N.M.
Jason Kellahan	attorney	Santa Fe, N.M.
W. L. ...	National Petroleum Co	Hobbs, N.M.
Jason Kellahan	Ralph Lowe	Santa Fe