

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
March 13, 1958

IN THE MATTER OF: Case No. 1390

TRANSCRIPT OF PROCEEDINGS

DEARNLEY - MEIER & ASSOCIATES  
INCORPORATED  
GENERAL LAW REPORTERS  
ALBUQUERQUE, NEW MEXICO  
3-6691 5-9546

MR. KELLAHIN: Jason Kellahin, Kellahin and Fox, Santa Fe, representing Calkins Oil Company. This is a hearing to permit the operators to show cause why the Rules and Regulations governing gas-oil ratio should not be imposed in this Pool. I think the Commission is well aware of the fact that Calkins Oil Company would rather show cause why they should be. We do not propose to offer any testimony, for that reason, and we urge that the Commission institute the gas-oil ratio rule in the South Blanco-Tocito Oil Pool. There has been considerable evidence offered in previous cases in connection with that. There are, as the Commission knows, two operators in the Pool, Calkins and the Texas Natural, and the Calkins Oil Company is operating a pressure maintenance water injection program in this pool. I would like to point out to the Commission, in connection with our position, figures which are in the Commission records reported on the monthly production reports.

During the month of November, with a production of 620 barrels of oil per day, we had a gas-oil ratio of 2795. In December with 908 barrels per day production, the gas-oil ratio was 2355. At that time there was no prorationing in the Pool, the market being the only limiting factor, and for that reason oil could be produced from any of the wells, and as a result the high gas-oil ratio wells weren't produced, or were produced on restricted production.

In January, when oil prorationing was instituted, it then became necessary to produce the allowable from each of the wells or

to lose it. With a production of 399 barrels of oil per day as compared to 908 for December, we had a gas-oil ratio of 420 as against gas-oil ratio of 2355 in December. I think that indicates some limiting factor should be imposed in this pool, and we strongly urge that the Commission do impose the restriction of Rule 506 in the South Blanco-Tocito Pool.

MR. PORTER: Is there a representative of the Texas Natural here?

MR. JOHNSON: Yes.

MR. PORTER: Would you state your position in this case, as being the only operator?

MR. JOHNSON: We are in favor of the limiting gas-oil ratio.

MR. PORTER: Would you give us your name, please?

MR. JOHNSON: David Johnson.

MR. PORTER: Does anyone have anything further in this case? We'll take the case under advisement.

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C E R T I F I C A T E

STATE OF NEW MEXICO     )  
                                  ) ss  
COUNTY OF BERNALILLO    )

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this *31<sup>st</sup>* day of March, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

*Ada Dearnley*  
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NOTARY PUBLIC

My commission expires:  
June 19, 1959.