

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

REGULAR HEARING

IN THE MATTER OF:

Application of J. C. Williamson for an  
order establishing 80-acre proration  
units in an undesignated Devonian pool  
in Chaves County.

Case 1757

November 18, 1959

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
November 18, 1959  
REGULAR HEARING

-----  
IN THE MATTER OF: )  
)

Application of J. C. Williamson for an order )  
establishing 80-acre proration units in an )  
undesignated Devonian pool in Chaves County, )  
New Mexico. Applicant, in the above-styled )  
cause, seeks an order establishing 80-acre )  
proration units in an undesignated Devonian )  
pool in Chaves County, New Mexico. The dis- )  
covery well is located 660 feet from the )  
North and East lines of Section 1, Township )  
12 South, Range 28 East. )

Case 1757

-----  
BEFORE:

Mr. A. L. Porter, Jr.  
Mr. Murray Morgan  
Governor John Burroughs

TRANSCRIPT OF HEARING

MR. PORTER: The hearing will come to order, please.  
The next case to be taken up will be Case 1757.

MR. PAYNE: Case 1757: Application of J. C.  
Williamson for an order establishing 80-acre proration units in  
an undesignated Devonian pool in Chaves County, New Mexico.

MR. CAMPBELL: If the Commission please, Jack Campbell,  
Campbell and Russell, Roswell, New Mexico, appearing on behalf of  
the Applicant. I have one witness.

MR. PORTER: Will the witness stand and be sworn,  
please?

(Witness sworn.)

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



CHARLES C. LOVELESS, JR.

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

DIRECT EXAMINATION

BY MR. CAMPBELL:

Q Will you state your name, please?

A Charles C. Loveless, Jr.

Q Where do you live, Mr. Loveless?

A Roswell.

Q What's your profession?

A I am an independent producer and do some consulting work, petroleum engineering.

Q Have you previously testified before this Commission?

A I don't think so. Not in my recollection.

Q Will you give the Commission a brief resume of your educational and professional background, please?

A I have a Bachelor of Science degree in Engineering from Oklahoma University, and Bachelor of Law degree from the University of Texas; and eight years practicing as an engineer for two major oil companies, and five or six years of practical experience and production on my own behalf.

Q You say you have both an engineering and law degree?

A Yes.

Q Do you also operate an exploration company?

A Yes, I do.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

Q What is the name of that company?

A New Province Exploration.

Q Did that company do some geophysical work in the vicinity of where the J. C. Williamson No. 1 J. P. White Ranch well is now situated?

A That's right.

(Applicant's Exhibits Nos. 1, 2, and 3 marked for identification.)

Q I hand you what has been identified as Applicant's Exhibit No. 1 in this case and ask you if you will please state what that is.

A This is a seismic map interpretation, being at or near the top of the so-called Devonian formation at a datum around a minus 4400 feet. It also shows the dry holes and the one producing well surrounding the structure in the instant structure.

Q Where is the producing well situated?

A The producing well is located 660 feet from the North line and 660 feet from the East line, Section 1, Township 12 South, Range 28 East.

Q To what depth was that well drilled?

A 8140 feet total depth.

Q From what formation is it producing?

A The so-called Devonian or Siluro-Devonian, as the case may be.

Q I believe you stated that this is a seismic map. Has



the map been correlated to any extent with the logs on the wells that have been drilled in that area?

A Yes. The wells have been correlated with the seismic map and if you will pardon the commercial, they were as shown originally with seismic data.

Q Will you point out to the Commission the location of the dry holes that have been drilled in the vicinity of the well here?

A The Richfield No. 1 White located in the Southeast Southwest Section 6, Township 12 South, Range 29 East is approximately one mile southeast of the instant well.

The Great Western No. 1 White drilled in the Southeast Northwest, Section 1, Township 12 South, 28 East, is also a Devonian dry hole and lies about one-half mile southwest of the Williamson discovery well.

The Markham No. 1 White in the Southwest Southwest of Section 1, Township 12 South, Range 28 East, is also a Devonian test which was plugged and abandoned as dry.

The Ohio Oil Company No. 1 State, drilled in the Southeast Southeast, Section 36, Township 11 South, Range 28 East, a Devonian test; and the Murphy Dyer No. 1 White drilled in the Southwest Southwest of Section 25, Township 11 South, Range 28 East. All of those are shown on the exhibit.

Q All of those were drilled into this Siluro-Devonian formation?



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

A That is true.

Q Which was the most recent well drilled?

A The Ohio No. 1 State in the Southeast Southeast of Section 36.

Q That well has just recently been finished as a dry hole?

A Within the last two or three weeks, yes.

Q I notice that your map shows an apparent fault lying just south of that Ohio well, is that correct?

A That is true.

Q How much lower was the Ohio well?

A 196 feet at the top of the Devonian.

Q What had your seismic map indicated would be the situation there?

A We estimated it would be 200 feet below.

Q Based on that and upon the dry holes that have been drilled around this area, do you feel that this seismic map is a reasonable representation of the actual contour of the Devonian formation in this area?

A Yes, I believe it is.

Q Does it appear from that map and from the experience of the dry holes surrounding this area that this is a small Devonian pool with sharply dipping exterior boundaries?

A That is true. It appears to be a small sharply dipping anticlinal structure enclosed on the northwest by a fault with some 200 feet of throw on the north side, down-throw on the



north side.

Q Is this fairly indicative of Siluro-Devonian formations in this general area, to your knowledge and based on your experience of the geophysical work in the area?

A Yes, our geophysical work has illustrated almost consistently that the Devonian structures are very small and usually faulted on one of the flanks, usually the west or northwest.

Q Would a well in this area of the undesignated pool adequately and efficiently drain 80 acres?

A Yes, sir, I believe so.

Q May I ask you, Mr. Loveless, did you core this particular well?

A No, the discovery well was not cored.

Q Will you state why it was not cored, please?

A We think that the Great Western well on the southwest flank of the structure had apparently encountered a water table at approximately a minus 4465, and the fact that we thought at the time the well was spudded that we could not get more than 30 to 40 feet higher than the water datum, Mr. Williamson decided to, as he said, it, scratch the surface and drop a long spear to complete.

Q How far into the Devonian formation is this well completed?

A The casing is set at 8128 and the bottom of the hole is at 8140; however, we feel there is approximately a maximum of five feet of Devonian section open in the hole.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



Q I hand you what has been identified as Applicant's Exhibit No. 2, Mr. Loveless, and ask you to state what that is, please.

A Exhibit No. 2 is the record of drillstem testing in the so-called Siluro-Devonian section in the Great Western No. 1 White located in the Southeast of the Northwest, Section 1, Township 11 South, Range 28 East. That well is located approximately a half mile southwest of the instant well.

Q You have stated that in your opinion a well in this area will efficiently and economically and adequately drain 80 acres. What does this drillstem test information on the Great Western No. 1 White well indicate to you in that regard?

A It indicates that the producing formation is highly permeable and that there is relatively free movement of fluids through the reservoir rock.

Q What is there in that tabulation that indicates that, Mr. Loveless?

A Well, there's a cumulative total of approximately 4,000 feet of fluids which rose in that hole during a two and a half hour drillstem test, which to me indicates that the producing formation freely gives up its fluids, and that it is affected by some kind of an active reservoir drive, probably salt water.

I might add, if you will excuse me, though the Commission heard the testimony, I believe, from one of the witnesses this morning relative to a source of water in the case preceding

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



this one, and gave several illustrations of the productivity and the apparent permeability of the Devonian. I believe one well that he entered into testimony indicated it flowed 15 barrels salt water per hour, and another about 10 from the same formation.

The point I'm making, from our experience in the area, and I might add from this Murphy Dyer Well in Section 25, the Devonian section seems to be very permeable in the vicinity; in fact, practically all the wells drilled to the Devonian in this whole area have been very prolific as water producers. The three wells in the Siluro-Devonian Pool to the east have been very prolific and have exhibited strong tendency for a vertical water drive.

MR. PORTER: Is that the White Ranch Pool?

A Yes, the Siluro-Devonian Pool.

Q (By Mr. Campbell) In that regard, Mr. Loveless, are you generally acquainted with that White Ranch Pool?

A Yes, we shot in the area and I am familiar with that production to some extent.

Q Are you acquainted generally with the cumulative production from the wells in that pool?

A Yes, I am. The last check that I made at the time I was making an economic study of the general Devonian section, that pool had produced in excess of 450,000 barrels from three wells on 40-acre spacing.

Q On the basis of volumetric calculations, is that more



oil than could be expected to underlie each 40-acre unit?

A Yes, it is my best recollection the section above water averages about 20 feet in thickness with an average porosity of about eight and a half percent; volumetrically that is considerably more oil than could be contained in 120 acres, which is attributed to the three wells.

Q What information do you have, Mr. Loveless, concerning the average permeability of the Devonian formation in this area?

A The only -- inasmuch as we did not core the instant well, I cannot tell you, I can only refer you to the Symposium of Oil and Gas Fields prepared by the Roswell Geologic Society and published in 1956, which indicates the horizontal permeability in the White Ranch Siluro-Devonian Field three miles east, approximately, is around 150 millidarcies per foot. I believe that in the Chisholm Pool the compilers estimated the horizontal and vertical permeabilities were in the order of 150 millidarcies per foot.

Q Is that in your opinion a fairly good permeability in the Siluro-Devonian formation?

A Yes, I think it is.

Q Have you examined any cores or core records with regard to the Murphy Dyer well to which you referred?

A Yes, I was on the location when the cores from the top, the base of the Mississippian and the top of the Devonian were brought out, and this formation might be described as a white to

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



tan to gray dolomite vulgular, and in fact cavernous in some instances. In fact, some of the core you could stick your finger well into, practically through the four and three-eighths core that was pulled out, which indicates there's extremely high permeability, that the averages of 150 are in order of reasonableness.

Q What amount of gas do you find in so far as this production of the J. C. Williamson well is concerned?

A The GOR's are extremely low, it's my observation in the order of 80 to 100 cubic feet per barrel.

Q Then do you think that this well exhibits a strong water drive?

A Oh, without question, and I might point to the fact that the reservoir mechanics indicated in this Symposium, in both instances the authors state that it is a strong water drive reservoir.

Q With regard to the J. C. Williamson well itself, what information do you have with regard to possible area of drainage?

A Well, it would appear to me from the bottomhole pressure tests that have been taken by the John W. West Engineering Company of Hobbs, you will note from Exhibit 3 that on July 25, 1959, at a datum of total depth of 8100 or minus -- well, I don't know, let's see what it is, they don't give it -- it's approximately 4400, the pressure was 343 pounds per square inch. The well produced in the following thirty days approximately 3,000 barrels

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



when this test, that is the graph represents the test taken about a month later, and the pressure had declined 21 pounds after withdrawal of 3,000 barrels, which is in the order of about seven hundredths of a pound per barrel of withdrawal over a thirty-day period; which to me indicates that the reservoir is very communicative and that withdrawals of that order did not largely affect the bottomhole pressures, which means the energy is being derived from the wide radius area around the well.

Q Mr. Loveless, do you believe that the drilling of a well at this time on the basis of 40-acre drilling proration units would be the drilling of unnecessary wells?

A Yes, I do. I think it would be, if I may say so, highly inadvisable from the standpoint of waste, if that may be reflected in economic waste, to say the least.

Q In that regard, what is the approximate cost of the J. C. Williams well into the tank?

A That well cost with the battery and all equipment right around \$150,000.00.

Q What is the present market for the oil that's been produced from this well?

A This oil is being transported by truck from the location to a point in the Sprayberry Pool southeast of Midland, Texas, at a cost in excess of 85 cents a barrel for transportation.

Q Where is the nearest pipe line to this well?

A Approximately eight miles west there is a pipe line,



which I believe by test this morning is averaging throughput of 74,414 barrels of unprorated oil per day.

Q That's the nearest line?

A Yes. Oil from the Siluro-Devonian Pool which is being purchased by Cactus, I believe, is going to a port of entry in the Moore-Devonian Pool up on the cap about twenty-five miles.

MR. PORTER: Again is that the White Ranch Siluro-Devonian?

A Yes, that's the White Ranch.

Q (By Mr. Campbell) Based upon the cost of approximately 86 cents a barrel for transportation to market for this oil, and upon the cost of the well and the royalties, taxes, and so forth, have you estimated what the payout would be on this well?

A Yes, I have. It would be in the order of 450 days, assumed that lifting costs did not increase substantially, and of course, we have in the offing that eventuality because we expect to lift considerable quantities of water.

Q I believe you said 450 days?

A That's slightly over a year. Pardon me, I meant around 950 days, excuse me.

Q Approximately the vicinity of three and a half years, is that correct?

A That's right.

Q What type of order are you seeking from the Commission here, Mr. Loveless?

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



A We're seeking an order to provide if we must on a temporary basis for 80-acre spacing in this pool.

Q With regard to the direction of the units, what are you asking for?

A If reference to the geophysical map indicates that the only feasible orientation would be north-south 80's; namely, under the discovery well, the East Half of the Northeast of Section 1 in Township 12 South, Range 28 East; a second 80-acre unit on which a well is now drilling, it being the No. 2 Well, the West Half of the Northwest Quarter of Section 6, 12 South, Range 29 East.

Q Where is that well drilling?

MR. PORTER: Pardon me, is that, the No. 2 Well also a Williamson well?

A Yes, it is the second well on the structure.

MR. PORTER: Go ahead.

Q (By Mr. Campbell) Is the royalty ownership common in this area?

A Yes, it is.

Q The No. 2 Well is being drilled in the north 40 acres of the Tract No. 2 you referred to there?

A The No. 2 Well is located 990 feet from the North line and 330 feet from the West line at a point approximating shot point 1-3 as shown on the Exhibit.

Q Now, Mr. Loveless, since the royalty ownership is



commin, it's obvious that one of the reasons for the request for 80-acre spacing is an economic reason, that is, that you would be permitted to have a slightly higher allowable on the basis of 80-acre units than you would on 40-acre units, is that not correct?

A That's true.

Q Do you think that that would affect the drilling program with regard to developing this obviously small pool?

A I think it would, decidedly.

Q Do you believe that this pool being situated as it is and the size that it is obviously is going to have relatively few wells drilled in it?

A I could reach no other conclusion than that.

Q And it is your opinion that one well will adequately, efficiently, and economically drain 80 acres in this particular pool?

A Yes, that is my opinion.

Q Based upon your knowledge with regard to the geophysical work you did in this area and your knowledge of this well and the dry holes that have been drilled surrounding it, do you believe there's any substantial reason to believe that the situation is going to change sufficiently over a period of a year or so to mitigate against a permanent 80-acre order at this time?

A I should think not. Our sub-surface information, we have learned with the drilling of the Ohio well, as well as the No. 1 Williamson White, our shooting seems to be fairly accurate, and I have no reason to believe that we will have to reinterpret



the data at any future time.

Q There is a possibility, of course, that the structure of that fault might be changed to some extent by further drilling, is there not?

A That's possible. With just one well to orient it, we are not positive.

Q And if the Commission sees fit to grant a temporary order, then you would be willing and prepared to come back in at the expiration of that order and furnish the Commission with such additional evidence as they might require?

A That's true.

MR. CAMPBELL: That's all I have.

MR. PORTER: Anyone have a question?

Q (By Mr. Campbell) I would like to ask Mr. Loveless if Exhibit No. 1 was prepared in cooperation with you, and based upon the information obtained from your seismic work in that area.

A Yes. These are records all taken by the crew directly under my supervision.

Q Were Exhibits 2 and 3 prepared by you or under your supervision?

A That's correct.

MR. CAMPBELL: I would like to offer Exhibits 1, 2, and 3 in evidence.

MR. PORTER: Without objection these exhibits will be admitted. Mr. Nutter, I believe you had a question.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



MR.NUTTER: Yes, sir.

CROSS EXAMINATION

BY MR. NUTTER:

Q= When you first drew a seismic picture of this structure, did you draw a fault in there, or did you have a deeply dipping structure?

A No, we originally put the fault in before the Ohio well was drilled.

Q Did the Ohio well actually cut through a fault, or was it merely low?

A There was no evidence to my knowledge that it did, but it was extremely low, it was 200 feet below the discovery well.

Q It would appear that for the Williamson and White well to have 80 acres dedicated to it, that would be productive, it would be mandatory that the East Half of the Northeast Quarter of Section 1 be dedicated to the well, wouldn't it?

A Yes.

Q Where do you suppose a third well would likely be located?

A I presume in the Southwest corner of Section 31, which of course raises the question where does the 80 go from there.

Q Do you have any knowledge of where the water-oil contact is in this pool at the present time?

A I can say that this No. 1 Well is cutting a small amount of water which we feel may possibly be due to the proximity

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



to the fault and some vertical fracturing that generally occurs in the Devonian in this area, though we have no positive evidence of it in the No. 1 Well.

Q Now the productive limits of the pool on the East, the South, and the West will probably be divided by a water-oil contact being established?

A Yes, I think that's right.

Q Do you have the bottomhole pressure survey curve for the first bottomhole pressure?

A No, I do not have, and I'm not sure that a curve was made. I think it may have just been a single.

Q Single pressure reading?

A A single pressure reading, yes, sir.

Q But in the interim, from the time the first test was taken in July to the time the second test was taken in August, there has been how much oil produced?

A Approximately 3,000 barrels. I can give you the exact amount. For the month of August there were 3,063 barrels produced from the well. The test was actually, the preceding test was actually run on the 25th and the date of this test was the 26th, so there is a five day --

Q It would have included a little of July's production and not all of August's production?

A That's right.

Q Have any individual P.I. tests been made on the well?

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

A Not to my knowledge.

Q Do you have any estimate of the reserves that lay under a single 40 or single 80-acre tract?

A I have made some estimates for my own information. The first one I made approximated five million barrels within the closure shown.

Q To what closure, this minus 4600?

A To the water datum, which is approximately 10 feet above it. Well, the water datum would be approximately minus 4485, if it can be established on the basis of the Great Western well to the southwest.

Q Do you anticipate that Mr. Williamson will core the No. 2 Well that's drilling now?

A I would say that largely depends on where he tops the Devonian pay. If it's high enough, then I feel he probably will core it.

Q It will be beneficial in making estimates of the reserves to have some core data?

A Yes, very decidedly, sure would. I might add that knowing Mr. Williamson, he does not have the academic drive or urge that a major company might have in that respect, in view of the fact that he's afraid that water would be encountered very quickly after topping the Devonian.

Q Well, now, if the Commission should authorize what you're seeking here today, a temporary order, and if the either



denial or the sustainment of that order in a year from now depends on sufficient information, I imagine Mr. Williamson would make an effort to get whatever information we needed?

A Oh, yes, I'm sure he would do that.

MR. NUTTER: That's all.

MR. PORTER: Does anyone have a question?

MR. PAYNE: Yes.

MR. PORTER: Mr. Payne.

BY MR. PAYNE:

Q If it wasn't necessary to pay this high transportation cost, would this well pay out within a reasonable period of time on a 40-acre development?

A It's a matter of arithmetic, Mr. Payne. I would be lead to believe that it possibly would. Of course, all my training indicates we have to accept in any kind of an economic prognosis indication the information at hand, so I cannot say that any relief is in the offing to remove that burden at this point. So certainly if we did not have that transportation burden, the payout would be approximately 33 percent earlier because we figure we are netting at this point about \$1.75 a barrel after lifting.

Q I believe you testified that it would be highly inadvisable to drill wells in here on 40-acre spacing, is that right?

A Yes. I certainly would at this juncture advise against it.

Q And yet Mr. Williamson is drilling one now on 40-acre

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



spacing?

A Mr. Williamson is drilling one now on the basis of what he knows about the surface, being a prudent operator, he is locating this well at a point indicated by the geophysics to be the highest point in the field.

Q You don't feel it highly inadvisable to drill wells anywhere in here, would you?

A Would you state --

Q To drill any more.

A I do not have an opinion one way or another. I would say possibly it would be advisable to drill one in the Southwest of Section 31 at pain of having to do it later if the royalty owner insists.

Q Do you know if Mr. Williamson anticipates taking interference tests upon completion of the drilling well?

A He has not revealed his plans in that regard to me, Mr. Payne.

MR. PAYNE: Thank you. That's all.

MR. PORTER: Mr. Loveless, did you testify as to how many wells you thought might eventually be drilled?

A I think one additional well at the present moment is his well.

MR. NUTTER: In addition to the No. 2 that is drilling now?

A Yes.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



MR. PORTER: I see. Anyone else have a question?

Mr. Nutter.

BY MR. NUTTER:

Q Mr. Loveless, you mentioned this other pool that's three miles away. What's the name of that?

A That's the White Ranch Siluro-Devonian Pool.

Q Does that pool have a market for its oil?

A Yes, that oil is being trucked to the Moore-Devonian Pool and put into the pipe line there.

Q Is there any possibility for your oil to be trucked to the Moore-Devonian Pool and put into the pipe line?

A No, we have exerted every effort from all sources that we know to prevail on someone to put the oil in a pipe line in the proximity of the well, and to this date it has been to no avail.

Q And the nearest outlet that you have is the one that you mentioned?

A Yes, that oil is being, as I said, being trucked to a point in the Sprayberry Pool southeast of Midland, Texas.

MR. NUTTER: Thank you.

BY MR. PORTER:

Q Is that White Ranch, that pool must be some six or seven years old, is that right, Mr. Loveless?

A I can give you the exact date. The discovery was August the 6th, 1956.



Q Oh, it's not as old as I thought.

A No, sir.

Q Is that the pool --

A Let me correct that. That was April 7, 1953, I am sorry.

Q Is that the **Republic National Gas Company Pool**?

A They're the operators, yes, sir.

MR. PORTER: Anyone else have a question?

REDIRECT EXAMINATION

BY MR. CAMPBELL:

Q With regard to the pipe line situation, what have you been advised by purchasers or pipe line companies with regard to taking oil from this pool?

A One purchaser that I asked to consider taking the oil told me that at that date, in the morning, he received a letter from his company advising him not to take on any new connections and to take on as few as possible where he was obligated. That seems to be the attitude of nearly everyone. We were attempting, I myself -- this is off the record, if I may.

MR. PORTER: Off the record.

(Discussion off the record.)

MR. PORTER: Does that conclude your testimony?

MR. CAMPBELL: Yes, it does.

MR. PORTER: The witness may be excused.

(Witness excused.)



MR. PORTER: Do you have anything further to present in the case, Mr. Campbell? Does anyone else have anything to offer in this case? Mr. White.

MR. WHITE: Charles White of Gilbert, White and Gilbert, appearing on behalf of Texas, Incorporated. Texas Company is an interested party to this hearing. They are a leasehold owner of two separate 320-acre tracts in Section 12, immediately to the south of Section 1. Texas Company agrees with the proposed 80-acre spacing for this pool. We believe that the testimony not only on direct but on cross examination clearly demonstrates that drilling of a well on a 40-acre pattern would be not only unnecessary but wholly uneconomical. We, therefore, strenuously urge the Commission to grant the petition.

MR. PORTER: If nothing further to be offered in this case, we will take the case under advisement.

\*\*\*\*

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH. 3-6691

ALBUQUERQUE, NEW MEXICO



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 Hearing was reported by me in Stenotype, and that the same was reduced to typewritten transcript under my personal supervision, and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

DATED this 4th day of December, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

*Ada Dearnley*  
\_\_\_\_\_  
NOTARY PUBLIC

My commission expires:

June 19, 1963.



**DEARNLEY-MEIER REPORTING SERVICE, Inc.**

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



**BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO**

**IN THE MATTER OF:**

**CASE NO. 1757**

**TRANSCRIPT OF HEARING**

**SEPTEMBER 16, 1959**

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
SEPTEMBER 16, 1959

-----  
IN THE MATTER OF:

CASE 1757 Application of J. C. Williamson for an order es- :  
tablishing 80-acre proration units in an undesig- :  
nated Devonian pool in Chaves County, New Mexico.:  
Applicant, in the above-styled cause, seeks an :  
order establishing 80-acre proration units in an :  
undesignated Devonian pool in Chaves County, New :  
Mexico. The discovery well is located 660 feet :  
from the North and East lines of Section 1, Town- :  
ship 12 South, Range 28 East. :  
-----

BEFORE:

Gov. John Burroughs  
A. L. Porter  
Murray Morgan

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

MR. PORTER: We will take up next Case 1757.

MR. PAYNE: Case 1757. Application of J. C. Williamson  
for an order establishing 80-acre proration units in an undesignated  
Devonian pool in Chaves County, New Mexico.

May it please the Commission, we received a communication  
from Mr. Williamson requesting that this case be continued. I  
would recommend that it be docketed for the November regular hear-  
ing.

MR. PORTER: Without objection, the case will be con-  
tinued to the regular hearing in November, which I believe, is

