



DIRECT EXAMINATION

BY MR. CHRISTY:

Q Will you please state your name, address and occupation?

A Jerry Hooper, 4403 Harlow, Midland, Texas; geologist, Permian Oil.

Q Mr. Hooper, have you previously testified before this Commission and had your qualifications accepted as geologist?

A No, sir.

Q Would you briefly tell the Examiner the schools of higher learning you have been to, degrees, if any, received, and the dates you received them?

A Graduated from Texas Tech in 1954 with a B.A. in geology, and upon graduation went to work for Fairwell as a junior engineer and worked for about six months. Then I was called in the Army, served two years; got out of the Army, went to work for Lone Star Producing Company as a geologist; worked for a year. Then, went independent for about a year; went to work for Permian as a geologist and land man.

Q So your occupation, as you have described it, included work in the geological field in the general vicinity of the land in question in this application?

A Yes, sir.

Q Are you familiar with the application in Case No. 1945 before the Commission and what it seeks?



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A Yes, sir.

Q Are you familiar with the well in question and the other wells in the general vicinity?

A Yes, sir.

Q And their production history?

A Yes, sir.

Q Does the Commission have any questions concerning the qualifications of the witness?

MR. UTZ: No; they are acceptable.

Q (By Mr. Christy) Would you please tell us what the application does seek, please?

A Well, it seeks to force-pool two non-participating royalty owners who own on the East half of Section 5, Township 30, Range 13 West, San Juan County.

Q This is a 320-acre gas proration unit dedicated to a well in the Northeast Northeast of Section 5?

A Yes, sir; in the Dakota formation.

Q I was going to ask you, when was that well drilled and completed, and from what interval is it now producing, if any?

A It is producing from the Dakota at approximately 6,034 feet to 6,232 feet.

Q When was the well drilled?

A Drilled in August, 1959, and completed in September of '59.



Q That producing interval you mentioned, is that within the vertical limits of the Dakota formation as defined by this Commission in Cases 1508 and 1523, Order R-1287?

A Yes, sir.

Q Which I believe provides for 320-acre spacing?

A Yes, sir.

Q Now, where do these non-participating royalty owners own an interest in Section 5?

A They own under the South Half, Northeast Quarter, North Half, Southeast Quarter, and the Southwest Quarter of the Southeast Quarter.

Q So they do not own under the well site?

A No, sir.

Q What interest do they own?

A They own a 17 1/2 per cent interest under their portion.

Q Their 200 acres?

A Yes, sir.

Q Is that approximately 10 or 11 percent under the whole communitized tract?

A Yes, sir.

Q Who are these people?

A Mr. Walker and Mr. Roybark.

Q Now, you mentioned Mr. Walker. Is that Raymond H. Walker and Edith Walker, his wife?



A Yes, sir.

Q Norman Roybark and Rose Ella Roybark, his wife?

A Yes, sir.

Q Do you know where the Walkers are?

A No, sir, I don't.

Q Do you have any last-known address on them?

A Yes, sir. It was 1250 South Figuerosa Street, Los Angeles, California.

Q How about the Roybarks; do you know where they are?

A No, sir.

Q Any last-known address?

A No, sir.

Q What efforts have you made to contact these people, or find them?

A First I contacted the surface owners, Mr. Knight and Mr. Patterson, who also own mineral interests under the East Half of Section 5. They had never heard of them. I contacted the San Juan Abstract Company and asked them to make a search, and received word they had never heard of them. Contacted several people within the town of Farmington, and no one has ever heard of the people.

Q Who owns the lease under which they own this non-participation?

A Standard of Texas.



Q Have you contacted Standard?

A Yes, sir. They had this last-known address of Mr. Walker, and that is all.

Q Nothing on the Roybarks?

A No.

Q Do you have a plat of this area involved in the application?

A Yes, sir.

Q I believe that has been marked Applicant's Exhibit 1; is that correct, sir?

A Yes, sir.

Q That shows your outline in red or yellow, the communitized area?

A Yes, sir.

Q Now are there any other drilling or completed wells in the general vicinity of this well?

A In the Northeast Quarter of the Southwest Quarter of 33, Township 31 North, Range 13 West; it is in the process of being completed this week and Pan American has completed a well to the south, which would be in the Northeast Quarter, Northeast Quarter of Section 17, Township 30, Range 13 West.

Q Is that Pan American well completed?

A Yes, sir; it is.

Q What producing horizon?



A Dakota.

Q This other one you mentioned in Section 33; is that a Dakota well, too?

A Yes, sir.

Q Any other wells in the vicinity?

A Not very close.

Q Now, in your opinion, will this well in the Northwest Northwest of Section 5 effectively and efficiently drain the Dakota production from the entire East Half of Section 5?

A Yes, sir; I believe so.

Q Now, do you seek to recover drilling, completion, equipping and operating costs from these non-consenting royalty owners?

A No, sir.

Q It is in the nature of a free override?

A Yes, sir.

Q Now, under the spacing set-up in the communitization agreement, will they receive their fair share of production under their 200 acres you mentioned by the production in Section 5?

A Yes, sir; they will.

Q Do you see where their correlative rights may be affected by force-pooling them into the communitized area?

A No, sir.

MR. CHRISTY: At this time we would like to call the Examiner's attention to Applicant's Exhibit 2, letter addressed to



the Walkers at the address stated by the witness.

MR. UTZ: Are you sure there is a Figuerosa Street in Los Angeles? It would seem rather odd that they would have a Figueroa and a Figuerosa, also. I've got a hunch you might find these people if you sent it to Figueroa.

MR. PAYNE: We sent this to Figuerosa, but we sent a docket to Figueroa, so they are properly notified if they are there.

Q (By Mr. Christy) Do you have anything else you wish to offer to the Examiner in connection with his consideration of this case?

A No, sir.

MR. CHRISTY: I believe that will be all from this witness.

CROSS-EXAMINATION

BY MR. UTZ:

Q Mr. Hooper, who owned this lease before Standard of Texas got it?

A I believe Standard of Texas acquired it directly from the fee.

Q Is it fee land?

A Yes, sir; it is fee land with the exception of the Southeast Quarter of the Southeast Quarter which is Federal.

Q Did you try to contact these people through the fee owners?



A Yes, sir.

Q They didn't know anything about them?

A Mr. Patterson and Mr. Knight own the minerals there, and I talked to both of them. They own the major portion of the minerals and I am not sure, but I believe this interest came out of Mr. Patterson, through some people in Utah, and so I figured the best I could do was talk to Mr. Patterson about it, and he didn't know the people.

Q You don't know who the people were in Utah?

A No, sir.

Q Didn't Patterson know?

A No, sir.

Q Didn't he sell it to them?

A Yes, sir; it was sold from Patterson to them, but he had lost contact with the gentleman -- he is Mormon, and he sold it to another Mormon, who sold the non-participating interest.

Q Maybe you ought to work through the Mormon Church; you might find them. Who owns the surface in this area?

A Mr. Patterson and Mr. Knight.

Q Is this a dual completion?

A No, sir.

Q Single completion, Dakota?

A Yes, sir.

Q What is the completed interval?



A Perforations from 6,034 to 6,232. It is not solidly perforated. Do you want a breakdown?

A No; just the intervals.

MR. UTZ: Are there other questions?

BY MR. PAYNE:

Q Mr. Hooper, You presently have the subject 320 acres dedicated to the well?

A Yes, sir.

Q And the well is presently producing?

A Yes, sir.

Q Are you placing royalty payments for these owners in escrow, or how is it handled?

A It will be placed in escrow.

Q Well now, you mean as to future royalty payments. They are entitled to royalty payments right now, aren't they?

A Yes, sir.

Q And if this forced-pooling order is granted the position of these non-consenting royalty owners will not be changed in the least, will it?

A No, sir.

Q They will be getting exactly the same thing they are getting now?

A Yes, sir.

MR. UTZ: Any other questions? The witness may be

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