

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 9, 1969

EXAMINER HEARING

IN THE MATTER OF:

Application of Mask, Jennings,
Keohane and Westall for an exception
to Order No. R-3221, as amended,
Eddy County, New Mexico.

Case No. 4169

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: Call Case Number 4169.

MR. HATCH: Case 4169, application of Mask, Jennings, Keohane and Westall for an exception to Order No. R-3221, as amended, Eddy County, New Mexico.

MR. JENNINGS: I am James T. Jennings of Jennings and Cople, Roswell, appearing on behalf of the applicant, Mask, Jennings, Keohane, et al. I have one witness, Mr. Gerald Westall.

(Witness sworn.)

(Whereupon, Applicant's Exhibit Number One was marked for identification.)

GERALD WESTALL

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. JENNINGS:

Q Would you state your name and occupation, please, sir?

A Gerald Westall, oil operator.

Q Mr. Westall, do you generally operate in the Shugart Pool, and are you one of the operators

of the Mask, Jennings, Keohane and Westall group?

A Yes, sir.

Q And as such, you are the -- one of the operators of the wells located in the northeast quarter and east half, northwest quarter, Section 2, Township 19 South, Range 31 East?

A Yes, sir.

Q You actually have the direct supervision of these wells, is that true?

A That's right.

Q And how long have you had such supervision?

A Since the wells were drilled.

Q Have you generally been engaged in the supervision of wells in the general area?

A Yes sir, since 1938.

Q Not only these, but the Keohane --

A Keohane as well.

Q Mr. Westall, are you familiar with the application that has been filed here in -- for an exception to the Commission order, which is Order R-3221?

A Yes, sir.

Q And this is generally an application of -- for an exception of that order?

A Right.

Q Mr. Westall, I believe that there are four wells now producing on this lease, is that correct?

A That's right.

Q And these are the Numbers 1-C, 2-B, 3-F and 4-A?

A That is right.

Q What is the -- the oil production from these four wells?

A The oil production for May was five hundred fifty-one barrels for the four wells, and in June it was five hundred thirty-four barrels.

Q Has it generally been running about the same for sometime?

A Yes, just along those same lines.

Q For some months?

A I would say so, yes sir.

Q In connection with the production from the -- these wells, are you producing some small

water, Mr. Westall?

A Yes. The application says between twenty-three and twenty-five barrels. That's before the application was made. I did test them on two separate days. One day I got twenty-three, the other twenty-five.

Q Did you have any figures for the month of May, actual production of water?

A Well, this is, of course, an estimate on tests, one-day tests per month, May, 744, and June 720. Of course, May being a 31-day month and June a 30-day month makes a part of the difference.

Q Mr. Westall, are there -- what are you currently doing with the water?

A Disposing of it in an unlined pit.

Q Where is the pit located?

A Adjacent to our Number One.

Q Is it feasible to transport the water to a disposal pit anywhere?

A No, not that I know of. There's not any -- there's some floods locally, but otherwise there isn't any disposal well.

Q Was the Atlantic Shenandoah Flood somewhere in the vicinity of this property?

A Yes, the Atlantic Hinkle flood is adjacent to the property.

Q What is the general terrain in the area, Mr. Westall?

A Well, it's -- the drainage, of course, is all to the southwest towards the potash exception area, and other than that, why the surface water, there's just -- there isn't even any surface pits within two miles of us. What I mean by that is ranch water.

Q You mean ranch tanks?

A Ranch tanks.

Q Isn't there a ranch tank in the area generally where they water --

A The potash mine lines in the --

Q I hand you what has been marked as Applicant's Exhibit Number One, and ask you to identify that and tell what it is, if you will, please?

A This is a map of the Shugart area, and of course the surroundings. That is this part of the Lusk area to the south.

Q Mr. Westall, does that map indicate

certain areas where exceptions to the no pit have been granted?

A Yes sir, to the north or the northwest V. S. Welch has no exceptions.

Q That is the area that is marked in green?

A Green and blue, I believe.

Q And there is an area which is the east half of Section 27 marked in blue. What is that?

A That is V. S. Welch, or I think probably now it's Keohane, Sanders, Welch, Iverson and Hinkle area.

Q Where is the -- is there a Pan American -- are they disposing of water in a pit any place? That's the one that's in the blue, I guess --

A Yes, and Welch is in the green.

Q Again referring to the same plat, there's an area to the south and east that is marked in brown. Would you tell what that is?

A That's down in the Lusk and deeper production.

Q Is Tenneco disposing of its water, salt water in the pit at that area?

A That's what I understand.

Q Referring to this same plat, there are marked there some water wells or windmills. I believe one is in the south half of Section 7, Township 18 South, Range 32 East. What is the nature of that water, Mr. Westall?

A It's very jippy. They did use it before the lines, potash lines came up there. They did use the water for stock, but that is, let's see, two, two, five, six miles away from ours up terrain from our Mask Jennings property.

Q Referring to the west half of Section 35, Mr. Westall, Township 18 South, Range 31 East, there's marked a smaller windmill?

A Yes, sir.

Q Are you familiar with that well?

A Yes sir, I was -- it was drilled under my supervision, and I used to live right beside it, used the water for years.

Q What is the nature and the extent of the production from that well?

A Well, I used to try to raise a little yard there, and it won't make -- pumping twenty-four

hours, it wouldn't make twenty-four barrels, but it's -- if you get used to it, it's good water.

Q What's the depth of that well?

A Three hundred feet. It's down to the redbed all the way.

Q Is there anyone living at the camp there now?

A No. You can go by and get a drink of water or a can of water, because the tank is still there. Once in a while, I do fill it back up.

Q Are there any other sources of water or wells that you know of in the immediate vicinity, Mr. Westall?

A No, sir. The only other one that I know of is five to six miles east. That's on the old Lusk ranch. I believe it belongs to the Snyder estate now.

Q Mr. Westall, do you feel that the disposal of salt water into unlined pits on your lease will in any way jeopardize or injure or

present any threat of injury to any of the fresh water in the area?

A No, sir.

Q Mr. Westall, was Exhibit Number One prepared under your supervision?

A Well, yes. I had some help, but I -- I agree with it.

MR. JENNINGS: I believe that's all we have to offer from this witness at this time.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Westall, where is that well that you said was five to six miles to the east?

A It's an Old Plains production well that John Lusk completed.

Q Do you know what section it might be in?

A No sir, I sure don't, but it's actually out past the boundaries of the Lusk field.

Q It would be to the east of the Lusk --

A Yes, sure would. This map doesn't show it.

Q And then so far as other wells are

concerned, the one in 35 and the one up there in Section 7 are the only two that you would recall being out there?

A Yes, sir.

Q Now, you mentioned that the oil production had been rather stable at five hundred and some barrels a month from the four wells?

A Yes, sir.

Q How about the water production, is it changing?

A No, it -- if anything, why it's pretty constant, but of course as the oil goes down, why I think the water goes down, too.

Q How old are these wells?

A How old are they, Jim? Maybe you can tell me, I don't know. Well, we took the original well, the Number One was the Pastell Drilling Company. We drilled it in '38, I believe, but we didn't complete it until I think the early sixties.

Q And then the others were drilled after that?

A Yes.

Q So the wells are maybe less than ten years

old?

A Yes sir, they are less than ten years old.

MR. NUTTER: I see; are there any further questions of Mr. Westall?

You may be excused.

(Witness excused.)

MR. JENNINGS: We would like to offer the Exhibit One, and we would also like to adopt and offer the testimony that was offered in Cases Number 4024, 4126 on behalf of Mr. V. S. Welch, and in Case Number 4132 in behalf of Pan American Petroleum Corporation, and would also call the Examiner's attention to the fact that in Case Number 4155 an exception was granted to Pan American Petroleum Corporation on July 7th after the filing of our application for wells located on Sections 23, 28 and 33, Township 19 South, Range 32 East.

We have nothing further, your honor, to offer.

MR. NUTTER: Cases 4024, 4126 and 4132 will be adopted in the record of this case.

Did you also wish to offer this
exhibit?

MR. JENNINGS: Yes, we do.

MR. NUTTER: Applicant's Exhibit Number
One will be admitted in evidence in this case.

(Whereupon, Applicant's
Exhibit Number One was
offered and received
in evidence.)

MR. NUTTER: Does anyone have anything
further they wish to offer in Case Number 4169?

We'll take the case under advisement, and
recess the hearing 'til one forty-five.

I N D E X

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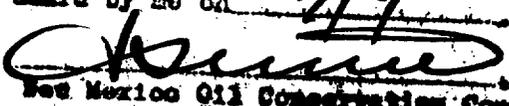
<u>EXHIBIT</u>	<u>MARKED</u>	<u>OFFERED AND ADMITTED</u>
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STATE OF NEW MEXICO }
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COUNTY OF BERNALILLO }

I, JERRY MARTINEZ, Notary Public in and for the County of McKinley, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.


Notary Public

My Commission Expires:
January 24, 1970.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 4167 heard by me on 7/9 1969.

Notary Public
New Mexico Oil Conservation Commission