BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO at Santa Fe, New Mexico

Transcript of Hearing in

Case No. 663

February 17, 1954

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Regular Hearing.

BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO at. Santa Fe, New Mexico February 17, 1954 In the Matter of: Application of Sun Oil Company for an exception to Rule 7(a) of Order No. Case No. 663 R-370-A for approval of a 160-acre unorthodox gas proration unit consisting of W/2 W/2 Section 24, Township 19 South, Range 36 East, Lea County, New Mexico, in the Eumont Gas Pool. (Notice of Publication read.) D. C. BROWN having been first duly sworn, testified as follows: DIRECT EXAMINATION By MR. BALLOU: (Representing Sun Oil Company) Q Would you state your name, please, for the record? A D. C. Brown. Q By whom are you employed? A Sun Oil Company. In what capacity? 0 District Engineer at Midland. A Q Have you ever appeared before the Commission before as a witness? A No. I have not. Q Would you state briefly your education and your employment background to qualify you as a witness? I graduated from Texas University with a B. S. in Chemical A Engineering in June, 1947. I worked for Sun Oil Company since that time in junior engineering, field engineering, and as District ADA DEARNLEY & ASSOCIATES COURT REPORTERS

ROOM 105-106. EL CORTEZ BLDG. PHONES 7-9645 ANO 5-9546 Engineer at Midland.

MR. BALLOU: Are his qualifications accepted, Mr. Commissioner? MR. SPURRIER: They are.

This is Sun Oil Company's application for execption to 0 Rules 2 and 7 (a) of order Number R-370-A to permit the drilling of J. L. Bar Number 2 well in the center of the northwest quarter of the southwest quarter of Section 24. Township 19 South. Range 36 East. and also the formation of 160-acre gas proration unit consisting of the west half of the west half of Section 24. This well is to be completed in the Queen's Gas Sand of the Eumont Gas There are producing gas wells completely surrounding this Pool. lease which prove that the entire lease be productive with gas. It has been established at numerous previous hearings that one gas well in the Eumont field will drain in excess of 160 acres. This request is made in an effort to simplify the forming of 460 acre gas units in Section 24.

Q Mr. Brown, in your opinion, will the formation of the unit as applied for cause any islands to be left in Section 24?

A It should not.

Q In your opinion, will it eliminate the necessity of forming three joint operating agreements and three unit agreements?

A It should eliminate three joint operating agreements and three joint unitization agreements.

Q Will the approval of this location and proration unit place any additional burdens on any operator in Section 24 with respect to the establishment of units? A No, it will not.

Q In your opinion, no one in Section 24 or in any of the adjoining sections will be put to any additional burdens because

of the forming of this unit in this manner?

A No, they will not.

Q In your opinion, will one well as located adequately, drain 160 acres?

A It will. This well is located 661.1 feet from the east and west lines of the lease and 1,985 feet from the south line, is also 1323.26 feet north of the Byer Number 1 well and comes in under the spacing for wells there.

MR. BALLOU: We have nothing further. We have here a plat showing the location of the proposed well and the proposed unit outlined in red.

MR. SPURRIER: Without objection it will be admitted as Exhibit Number 1. Any questions of the witness? If not the witness may be excused.

(Witness excused)

MR. SPURRIER: Does anyone have anything further in this case? If not, the case will be taken under advisement and we will move on to Case 664.

STATE OF NEW MEXICO) COUNTY OF BERNALILLO)

I HEREBY CERTIFY that the foregoing and attached transcript of hearing on Case No. 663 before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on February 17, 1954, is a true and correct record of the same to the best of my knowledge, skill and ability.

and correct rect. and ability. DATED at Albuquergue, New Mexico, this <u>24</u>⁷⁷ day of <u>televerg</u> 1954.

REPOR

ADA DEARNLEY & ASSOCIATES court reporters FOOM 103-106, EL CORTEZ BLDG, PHONES 7-9648 AND 5-9546 ALEUQUERQUE, NEW MEXICO