

MAIN OFFICE OCC

1954 MAR 25 AM 8:43

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

* * * * *

TRANSCRIPT OF PROCEEDINGS

CASE NO. 688 & 689

Regular Hearing

March 17, 1954

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico
March 17, 1954

IN THE MATTER OF:

Application of Sunray Oil Corporation for
approval of an unorthodox gas proration
unit in the Eumont Gas Pool: E/2 E/2
12-20S-36E.

) Case No. 688

Application of Sunray Oil Corporation for
approval of an unorthodox gas proration
unit in the Eumont Gas Pool: W/2 W/2
7-20-S-37E.

) Case No. 689

TRANSCRIPT OF PROCEEDINGS

MR. WHITE: If the Commission please, there were a good many of the operators under a misunderstanding as to what kind of testimony should be introduced on the unorthodox units. In this case, as to the unorthodox units, we have no contest or protest to it, and for that reason, I have no witnesses available.

In regard to the two applications, the applicant is the owner and operator of the lease in the west half of the west half of Section 7, Township 20 South, Range 37 East, and the east half of the east half of Section 12 in Range 36 East. We would like to have the plats attached to our respective applications, marked Exhibits 1 and 2 respectively; and in regard to the wells, there are two producing, one in each unit, and they have been producing since 1936 from the Yates Sands, from our exhibit; we would like to have them marked and introduced as Exhibit No. 3, wells producing in the surrounding area, or producing from the Yates, and it is the petitioner's

belief that the Yates Sands is productive throughout both of the unorthodox units applied for. We have here the consent from Amerada and Sinclair, and from the Anderson-Pritchard, who are the adjoining operators. We would like to have them marked Exhibit 5, 6 and 7, accordingly. We have had the verbal consent of Skelly, and Mr. Selinger was going to consent before the Commission had he been here. It is my understanding that the Continental, who off-sets us to the north in another section, will not consent to it, but they will not protest either, is that correct, Mr. Kellahin?

MR. KELLAHIN: That is correct. We won't grant a waiver.

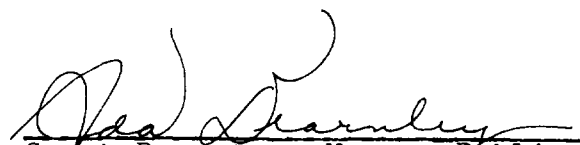
MR. WHITE: We do believe it is based on sound engineering principles, and if granted, will not create a chain effect and bring about the need for other unorthodox units. It will prevent waste and protect correlative rights.

MR. SPURRIER: Is there objection to counsel's proposed cases? If not, we will take them under advisement. Are there any other cases now before the meeting is adjourned?

STATE OF NEW MEXICO)
 : ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 23rd day of March, 1954.


Court Reporter, Notary Public

My commission expires:

June 19, 1955.

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO