

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

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TRANSCRIPT OF PROCEEDINGS

CASE NO. 690

Regular Hearing

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
April 15, 1954

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IN THE MATTER OF: )  
 )

Application of Texas Pacific Coal & Oil Company )  
for approval of the South Crossroads Unit Agreement ) Case No.  
consisting of all of Section 10, Township 10 South, ) 690  
Range 36 East, NMPM, Lea County, New Mexico. )  
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BEFORE:

Honorable Edwin L. Mechem, Chairman  
Mr. E. S. (Johnny) Walker, Member  
Mr. E. R. Spurrier, Secretary & Director.

TRANSCRIPT OF HEARING

MR. CAMPBELL: Jack Campbell of Roswell, representing Texas Pacific Coal and Oil Company. I would like to request that Case 690 be continued to the May 19th hearing. There have been some complications arise with reference to the actual completion of the well before the unit is submitted for approval.

MR. SPURRIER: Is there objection to Mr. Campbell's motion?  
If not the case will be continued to May 19th.

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 21st day of April, 1954.

Ada Seawley  
Notary Public, Court Reporter

My Commission Expires:

June 19, 1954

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

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Conservation Commission for approval of the South Crossroads Unit Agreement?

A Yes, I am.

Q Do you have a copy of that proposed Unit Agreement before you?

A Yes, sir.

Q Mr. Bagwell, referring to the Unit Agreement, will you state to the Commission, what acreage is proposed to be covered by the Unit and the ownership of that acreage?

A That is all of Section 10, Township 10 South, Range 36 East. In that Unit, Texas Pacific Coal and Oil Company has a 75 percent interest, Union Oil Company of California has a 25 percent interest.

Q Who is the owner of the land of the royalty?

A It is all State land.

Q How many State leases are involved?

A There are three.

Q Has Texas Pacific Coal and Oil Company done geological work in this area?

A Yes, they have.

Q Referring again to the agreement and the Exhibit attached thereto, will you state to the Commission whether or not, in your opinion, Section 10, Township 10 South, Range 36 East, or part of it maybe a common source of supply of oil or gas?

A Yes, sir, I believe it is.

Q Referring to Exhibit C, attached to the proposed unit agreement, will you state what that is?

A Exhibit C is a plat showing the approximate closing contour on the Mississippian horizon which is based on the results by geological work.

Q In your opinion, would the approval of this Unit Agreement encourage the development in that area for oil or gas?

A Yes, sir, I believe it would.

Q Does the Unit Agreement provide for the commencement of a well in this Section?

A Yes, sir, on or before July 1, 1954.

Q In your opinion, would the approval of this Unit Agreement result in the Conservation of oil or gas and protect the correlative rights of the owners under the Section?

A Yes, sir, it would.

Q In your opinion, would the State of New Mexico under this Unit operation recover its fair share of the oil, if there is oil or gas in this Section?

A Yes, sir.

MR. CAMPBELL: If the Commission please, the Unit Agreement and the operating agreement have been executed. I have executed copies, however, I would like, if it is agreeable with the Commission to submit unexecuted copies with the statement in the record that they are true copies of the ones which have been executed by the parties. That is all of the parties except the State of New Mexico which, of course, approves these subject only to an order of the Oil Conservation Commission. If that is agreeable with the Commission, I would like to offer in evidence true copies of the proposed Unit Agreement and the proposed operating agreement for the South Crossroads Unit.

MR. SPURRIER: Is there objection? If not the Exhibit will be admitted, as you have stated.

MR. CAMPBELL: That is all.

MR. SPURRIER: Anyone have a question of the witness? If there are no further questions, the witness may be excused. (Witness excused.)

MR. SPURRIER: We will take a short recess.

STATE OF NEW MEXICO )  
: ss.  
COUNTY OF BERNALILLO )

I, Wesley E. Searley, 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 26<sup>th</sup> day of May, 1954.

Wesley E. Searley  
Notary Public, Court Reporter

My Commission Expires:

June 19, 1955