BEFORE THE

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

Santa Fe, New Mexico

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TRANSCRIPT OF PROCEEDINGS

CASE NO. 723

Regular Hearing

BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico June 16, 1954

IN THE MATTER OF:

Application of Shell Oil Company for 80- acre unorthodox gas proration unit in the Tubb Gas Pool: S/2 NE/4 Section 15, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

Case No. 723

BEFORE:

Honorable Edwin L. Mechem Mr. E. S. (Johnny) Walker Mr. R. R. Spurrier

TRANSCRIPT OF HEARING

MR. SPURRIER: Case No. 723.

M. J. EDWARDSON

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

DIRECT EXAMINATION

By MR. HUGHSTON:

- Q Mr. Edwardson, have you prepared a plat in 723 in regard to the application of the unorthodox unit requested there?
 - A Yes, sir.
 - Q This was prepared under your direction?
 - A Yes, sir.
 - Q The statements made thereon, with reference to the loca-

tion and shape of the unit as reflected thereby are true and correct?

A Yes, sir.

(Marked Shell's Exhibit No. 1, for identification.)

 $\mbox{MR. HUGHSTON:}$ We offer the plat in evidence as Shell's Exhibit 1.

MR. SPURRIER: Without objection it will be admitted.

Q Mr. Edwardson, state the facts which are the basis of the application for this unorthodox unit.

A This plat shows the 80-acre gas proration unit proposed by Shell Oil Company for its State 1 Well in the Tubb Gas Pool. This unit shall consist of the South half, northeast fourth of Section 15, Township 21 South, Range 37 East, Lea County, New Mexico, as outlined in red. Other wells in this vicinity in the Tubb Gas Pool are also shown in red. Shell State 1 originally was completed as a Drinkard Oil Well November 1, 1948. Permission to dually complete this well in the Tubb Gas Pool and Drinkard Pool was granted by the Oil Conservation Commission in Order R-190, dated August 28, 1952. The well was recompleted November 30, 1952 as a Tubb Gas Drinkard Oil dual well for a calculated absolute open flow potential of 12,000,000 cubic feet per day. Presently there are five Tubb gas wells in Section 15. Three of these wells are located in the north half of the section as is the acreage under consideration.

Under Order Number R-450 the Tidewater was granted an exception to Rule 7A of Order Number 373A, for an unorthodox 160

acre gas proration unit consisting of the north half of the north half of Section 15 in the Tubb Gas Pool. As the southeasterly adjoining 80-acre tract to the Tidewater acreage are occupied by Shell State 1 and Cities Service State S-2, the other two Tubb gas wells in the north half of Section 15, no unitization is necessary. We have waivers from all other operators in Section 15.

- Q Do you have those waivers with you?
- A Yes, sir.

MR. HUGHSTON: We submit the waivers to the Commission at this time. We have this addressed to the Commission. We will ask that they be identified as Exhibits in this case.

MR. SPURRIER: Without objection they will be admitted.

Q It is wholly impractical to form a unit at the northeast quarter of Section 15 in view of the fact that Tidewater has had the north half of the northeast quarter placed in another unit, is that correct?

A Yes. sir.

MR. HUGHSTON: I believe that is all.

MR. SPURRIER: Is there a question of the witness? If not the witness may be excused.

(Witness excused.)

MR. HUGHSTON: Case 725 is the same land and same lease, but another gas horizon. I say take it up out of order if all right with the Commission, since we will be dealing with the same area.

MR. SPURRIER: Very well, we will proceed with Case 725.

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

I, Asa Searchy, 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 18Th day of _______, 1954.

Notary Public, Court Reporter

My Commission Expires:

June 19, 1955

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