

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

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TRANSCRIPT OF PROCEEDINGS

CASE NO. 726

Regular Hearing

ADA DEARNLEY & ASSOCIATES
STENOTYPE REPORTERS
ROOM 105-106-107 EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

A Yes, sir.

Q And the other facts mentioned on the legend of the plat are also true and correct?

A Yes, sir.

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

MR. HUGHSTON: We offer the plat in evidence as Shell's Exhibit 1 in this case.

MR. SPURRIER: Without objection it will be admitted.

Q Mr. Edwardson, state the basis for the requested unorthodox unit in this case.

A This plat shows the 160-acre gas proration unit proposed by Shell Oil Company for its Livingston 9 well in the Blinebry Gas Pool. This unit shall consist of the northeast fourth, southwest fourth; the south half, the southwest fourth and the southwest fourth of the southeast fourth of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico, as outlined in red. Other wells in this vicinity in the Blinebry Gas Pool are also shown in rec. Shell Livingston 9 was originally completed as a Drinkard Oil Well November 12, 1952. Permission to dually complete Shell Livingston 9 in the Blinebry Gas Pool and Drinkard Oil Pool was granted by the Oil Conservation Commission in Order Number R-226, dated November 28, 1952. The well was re-completed as a Blinebry Gas-Drinkard Oil dual well December 23, 1952, for a gas potential of 2,000,000 cubic feet per day.

In the case of dual wells it is difficult to form an equitable

basis for an operating agreement inasmuch as we have 160 contiguous acres on which Shell Livingston 9 is located. With exceptions to Standard, proration units have been allowed others in similar circumstances. We ask that we be given equal treatment and be granted an exception in this case.

Q It is more difficult to unitize the dually completed wells than it is the other wells, is it not, in the ordinary operation?

A Yes, sir.

MR. HUGHSTON: That is all.

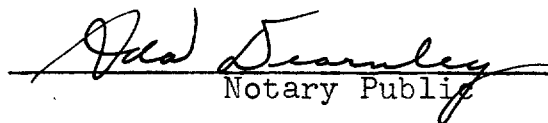
MR. SPURRIER: Does anyone have a question of the witness? Does anyone have a comment in any of these cases? If not we will take the case under advisement and the witness may be excused.

(Witness excused.)

C E R T I F I C A T E

I, ADA DEARNLEY, do hereby certify that the above and foregoing transcript of proceedings before the New Mexico Oil Conservation Commission in Mabry Hall, Santa Fe, New Mexico on June 16, 1954, is a true and correct record to the best of my knowledge, skill and ability.

Dated at Albuquerque, New Mexico, this 19th day of June, 1954.


Notary Public

My Commission Expires:
June 19, 1955