

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 810

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
ROOMS 105, 106, 107 EL CORTEZ BUILDING
TELEPHONE 7-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
State of New Mexico
Santa Fe, New Mexico
January 13, 1955

AFTERNOON SESSION

IN THE MATTER OF:)

Application of Phillips Petroleum Company)
for approval of a non-standard gas pro-)
duction unit (in the Jalmat Gas Pool) con-)
sisting of SW/4 NW/4, NW/4 SW/4 and S/2)
SW/4 of 6-25S-37E, Lea County.)

Case No. 810

BEFORE:

Honorable John F. Simms
Mr. E. S. (Johnny) Walker
MR. W. B. Macey, Secretary

TRANSCRIPT OF PROCEEDINGS

MR. MACEY: The next case on the docket is Case 810. Judge Foster.

MR. FOSTER: Yes, sir. Thank you. Mr. Harold White.

H. T. WHITE

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

DIRECT EXAMINATION

By MR. FOSTER:

Q Will you state your name, please?

A H. T. White.

Q By whom are you employed, Mr. White?

A Phillips Petroleum Company.

Q In what capacity?

A Gas Engineer.

Q You have heretofore testified before the Commission and stated

your qualifications?

A Yes, sir, I have.

Q Mr. White, I want to refer to the application of Phillips Petroleum Company for approval of the non-standard gas proration unit, being the C. D. Woodworth Group 3, Well No. 1, in the Jalmat Pool, Lea County, New Mexico. Will you give the Commission a description of the land that you desire to have included in that unit?

A It consists of the Southwest quarter of the Northwest quarter, and Northwest quarter of the Southwest quarter, and South half of the Southwest quarter of Section 6, Township 25, South, Range 37, East, Lea County, New Mexico.

Q You have heretofore filed a plat with the Commission, have you, showing the location?

A Location of the tract and the well.

Q Of the tract and the well, and the offset operators?

A That is correct.

Q Have you secured waivers from all of the offset operators?

A With the exception of one, Mr. Paul P. Scott, representative of the Campbell Corporation.

Q Will you state why you were unable to secure a waiver from him, if you know?

A I thought I had a letter here, that stated his reasons, but -- I saw one at the Commission yesterday, stating that in his opinion, part of the acreage was too far from the well. I don't seem to have Mr. Scott's letter.

MR. MACEY: I believe this is the letter you are referring to.

Q What is the furtherest point of the acreage from the well?

A The dimensions of the tract, the maximum dimensions of the

tract are three-quarters of a mile by one-half a mile in length. It is an "L" shaped tract in which the well is located, 660 from the corner. That would leave about 2600 feet from the furthest point of the tract.

Q How many acres do you seek to have allocated in a well like that?

A Wait a minute. I was wrong in this distance; 3300.

Q Let me ask you this, when was the well drilled on the acreage?

A The well itself was drilled several years ago, and is now being recompleted as a gas well.

Q Now, if all of the acreage of the tract was not allocated to that well, would it require the drilling of another well?

A Yes, sir, because this is the only well that we own, that is on this particular tract.

Q Is it your opinion that the well on the tract is sufficient to drain all the acreage that we propose to allocate to it?

A Yes, sir, I believe that it is.

Q Does the proposed unit consist of contiguous quarter sections of land?

A Yes, sir, it does.

Q And all of these tracts of land lie wholly within single governmental sections?

A Yes, sir, they do.

Q In your opinion, is the entire acreage proposed to be allocated to the well, productive of gas?

A Yes, sir, it is.

Q Does the length or width of this proration unit exceed five thousand two hundred and fifty feet?

A No, sir, it does not.

Q Do you believe it is necessary to create this unorthodox unit in order to prevent waste and protect correlative rights?

A In view of the fact of the units already formed in the section, this unit will not disturb the correlative rights of the other owners, and will certainly not cause waste.

MR. FOSTER: I believe that is all.

MR. MACEY: Any questions of the witness?

MR. KITTS: What was the objection of Kan-Mex?

A I didn't read that. There is a letter here from Mr. Worthington, I believe, Vice President and Trust Officer, which reads: "In regards to the Application of Phillips Petroleum Company for Approval of Non-Standard Gas Proration Unit - C.D. Woolworth Group 3, Well No. 1, Jalmat Pool, Lea County, New Mexico. Gentlemen: Phillips Petroleum Company has advised us that it has recompleted its C.D. Woolworth Group 3, Well No. 1, Jalco Pool, Lea County, New Mexico, as a gas well producing from the Yates and Upper Seven Rivers formations.

It is our understanding that the applicant has requested approval of a Non-Standard Gas Proration Unit in accordance with the provisions of the Commission order no. R-520, Case No. 673, dated August 12, 1954. This unit, we are advised, will comprise the southwest quarter northwest quarter; northwest quarter southwest quarter and south half southwest quarter of Section 6, Township 258, Range 37E, Lea County.

Please be advised that the undersigned, an offset operator to the applicant's lease, objects to the formation of the above described gas unit. Our objection to this proposal is that they wish

