

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 817

TRANSCRIPT OF PROCEEDINGS

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

IN THE MATTER OF:

Case No.
817

Mr. E. S. (Johnny) Walker
Mr. W. B. Macey, Secretary

MR. MACEY: The next case on the docket is Case 817. I would like to have Mr. Johnston sworn, please.

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

By MR. GIRAND:

Q Will you state your name, please, sir?

A Paul S. Johnston.

Q Are you associated with the Famariss Petroleum Corporation?

A I am.

Q In what capacity, Mr. Johnston?

A Vice President.

Q Mr. Johnston, have you ever qualified as an engineer or geologist before this Commission?

A No, I have not.

Q Will you briefly state your education and experience?

A Bachelor of Science degree in Petroleum Engineering, University of Oklahoma, in '48; Master Petroleum Engineering, University of Oklahoma in '49; spent a year and a half teaching at Oklahoma University.

Q In what capacity?

A As a Professor of Petroleum Engineering, and one year at Texas Tech, teaching Petroleum Engineering as a professor.

Q At the present time, Mr. Johnston, are you engaged in geological work on behalf of your company?

A I am.

MR. GIRAND: We submit the witness's qualifications.

MR. MACEY: His qualifications are accepted.

Q The Famariss Petroleum Corporation has filed an application for an unorthodox location, Mr. Johnston, covering Lots 10, 2 and 7 in Section 4, Township 21 South, Range 37 East, in Lea County, New Mexico. Are the Famariss Petroleum Corporation and their associates the owners of the working interest to all those tracts?

A Yes, sir.

Q The total acreage involved is approximately 120 acres?

A That is correct.

Q Have you made a study of the geology surrounding those 30 acre tracts?

A Yes, sir, I have.

Q In your opinion, do you feel that all the tracts, or all the acreage involved is capable of producing gas?

A I do.

Q You have a well located in Lot 10, I believe.

A Yes, sir.

Q Will you give the location of that well bore?

A That well is located 3300 feet from the north line of the section, and 1730 feet from the east line of the section.

Q The actual spacing of the well is not orthodox, is that correct?

A No, it is not.

Q Was permission obtained from the Oil Conservation Commission for the unorthodox location of the well bore?

A Yes, sir, and also from the Shell Oil Company, who offset the acreage to the east.

Q Mr. Johnston, were all of the offset operators notified of your application?

A Yes, sir, they were.

Q By registered mail?

A Yes, sir.

MR. GIRAND: If the Commission please, we would like to introduce the return receipts on the registered notices to all offset operators.

Q At what depth is your well completed, Mr. Johnston?

A The total depth of the well at this time is 6155 feet.

Q And what is the designated horizon for which you are producing?

A The Blinebry.

Q And it is definitely identified as being a gas producer in that zone?

A In the Blinebry Zone, yes.

Q Do you feel that the other acreage involved is capable of producing oil from that zone?

A Only insofar as it might be incidental fluid for the production of gas.

MR. GIRAND: Any questions of the witness? If not the witness may be excused. Do you have anything further in this particular case, Mr. Girand?

MR. GIRAND: Nothing further in this particular case.

MR. REIDY: Charles Reidy for the Oil Commission. I would like to get some questions answered on the record.

CROSS EXAMINATION

By MR. REIDY:

Q A well is a tub, is it not, sir?

A Yes, it is.

Q And that is to the bottom of the hole?

A It is to the present bottom, 6155.

Q And about how much fluid does the well make per day?

A At present we are producing about one million cubic feet of gas per day, and our average production would be 25 barrels of distillate, or under, on the average.

Q In the approximate gravity of that?

A Correct.

MR. REIDY: That is all.

MR. MACEY: I am not quite sure you put it in the record, but the unorthodox location was solely because of topography on the lands?

MR. GIRAND: Permission was granted.

MR. MACEY: It definitely was due to topography, is that correct?

RE-DIRECT EXAMINATION

By MR. GIRAND:

Q In regard to the location of the well bore, will you just briefly state for the record, the topographical location that was found there?

A Yes, sir. This well is located in what was called the Monument-Draw. The actual 660 measurement came out on top of a knoll, a small rise in the ground, that was covered by a hard limestone cap there, and in order to put the well on that particular spot, we would had to have done a considerable amount of dirt work and blasting, and so on, in order to put the rig up and have room for our pipe racks, our pits and things like that. A conservative estimate on dirt work and blasting work to clear the location would be in excess of, oh, \$8,000.00.

Q The entire matter was submitted to the Commission before the commencement of drilling?

A Yes, it was.

MR. GIRAND: Thank you. That is all.

MR. MACEY: Any other questions of the witness? If not the witness may be excused. We will take Case 817 under advisement and proceed to Case 818.

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STATE OF NEW MEXICO }
COUNTY OF BERNALILLO } ss

I, HELEN PURCELL, 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 January, 1955.

My Commission Expires:
December 18, 1957


NOTARY PUBLIC