

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APRIL 19, 1961

EXAMINER HEARING

PHONE CH 3-6691

IN THE MATTER OF:

CASE 2256 Application of Hondo Oil & Gas Company for an :
automatic custody transfer system. Applicant, :
in the above-styled cause, seeks permission to :
install an automatic custody transfer system to :
handle the production from the Culwin-Queen :
Pool from all wells presently completed or :
hereafter drilled on the State RD Lease in Sec- :
tion 36, Township 18 South, Range 30 East, Eddy :
County, New Mexico. :

BEFORE:

A. L. Porter, Examiner

T R A N S C R I P T O F P R O C E E D I N G S

MR. PORTER: We are going to deviate from the printed
order of the docket, and take Case 2256.

MR. MORRIS: Case 2256. Application of Hondo Oil & Gas
Company for an automatic custody transfer system.

MR. CAVIN: If the Commission please, my name is S. H.
Cavin. I am employed by Hondo Oil & Gas Company Law Department in
Roswell, New Mexico; I'm appearing for Hondo in this case. Hondo
is seeking an order approving an automatic custody transfer system
to handle production from the Culwin-Queen Pool from all wells

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presently completed or hereafter drilled on its State RD Lease in Section 36, Township 18 South, Range 30 East, Eddy County, New Mexico. I have some Exhibits I would like to present.

(Whereupon, Hondo's Exhibits 1, 2 & 3 were marked for identification)

MR. CAVIN: Our only witness in this case is Mr. A. J. Deans. Mr. Deans, will you be sworn?

(Witness sworn)

A. J. DEANS,
called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. CAVIN:

Q Would you please state your full name, your position, your employer, and your place of residence, Mr. Deans?

A I am A. J. Deans, and work for Hondo Oil & Gas in Artesia, New Mexico as a district production superintendent.

Q Do you reside in Artesia?

A I reside in Artesia.

Q Have you previously appeared before the Oil Conservation Commission and qualified and testified as an expert witness?

A No, I have not.

Q Would you please state your qualifications?

A Received a B.S. in Education in 1947, and a minor of Math in Physics from Abilene Christian College in '53. Received

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post graduate extension work in Petroleum Engineering from the University of Texas as part of Humble's Engineering Development Program. I was employed by Malco Refineries in the Production Department in 1948 in Crockett County and Laycock County, Texas. Joined Humble's North Texas Division, Production Department in 1952, and continued there in various phases of production engineering work until 1957. I returned to Artesia under the employment of Malco Refineries, now Hondo Oil & Gas Company, as District Production Superintendent, and have continued in that capacity to this date, supervising drilling, completion and operation of the company wells in that area.

Q Are you familiar with Hondo's application for the automatic custody transfer system to handle production from the Culwin-Queen Pool from all wells completed on the State RD Lease in Section 36, 18, 30, Eddy County, New Mexico?

A I am.

MR. CAVIN: If the Commission please, I move that Mr. Deans' qualifications as an expert witness will be accepted.

MR. PORTER: His qualifications are accepted.

Q (By Mr. Cavin) What is the purpose, Mr. Deans, of Hondo's application for the lease, automatic custody transfer system in this case?

A Primary purpose is to effect the economy through the improved operations on the lease.

Q How will the economy be affected?

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