

MR. SPURRIER: We will move on to Case 390.

(Mr. Graham reads the Notice of Publication.)

MR. GRAHAM: Mr. Macey.

(Witness sworn.)

W. B. MACEY

being first duly sworn, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. WHITE:

Q Mr. Macey, will you state your full name for the record, please, and your position?

A W. B. Macey, Engineer, Oil Conservation Commission.

Q In your capacity as engineer for the Oil Conservation Commission, have you had occasion to make a study of Case 390, in regard to Rules 301 and 506-d?

A Yes, sir.

Q Will you give your report to the Commission, together with your conclusions and recommendations?

A In paragraph 1-a, Case 390, certain fields are listed as being exempt from both Rule 301 requiring gas-oil ratio test, and also Rule 506, paragraph d, of Rules and Regulations, putting a gas-oil ratio limit on the field.

The main reason why the pools are exempt from the requirements of these two rules is the fact that in every case all the wells involved are marginal wells; and we could see no reason for imposing a gas-oil ratio limit

on a field where there is virtually no gas or oil present. There may be some more fields in the southeastern part of the State that should be placed in this category.

As to those fields listed under paragraph b, it is my recommendation that we include the Langley-Mattix pool in that category. It was left off the list by accident; and in this case, we are removing the gas-oil ratio limitation but are still requiring an annual gas-oil ratio test on the well, which is also a production test. And we felt that in this case, where there are a number of large capacity wells in some of the fields, there are a lot of top allowable wells, we felt it advisable to require the submission of a Form C-116 on an annual basis.

That is all I have.

Q You mean all these wells are pumping and have a little gas showing?

A In the first category, not all the wells are pumping, but they are all small, marginal wells.

MR. SPURRIER: Any further questions?

MR. McKELLAR: Mr. Macey, is there any objection to putting a Crossroads Devonian in there, since it makes a strong water field production and there is virtually no gas?

THE WITNESS: That is in the first category exempting on production?