

Casa No.

863

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 863
Order No. R-623

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION UPON
ITS OWN MOTION FOR AN ORDER
CALLING FOR THE CREATION OF
NEW POOLS, AND FOR THE EXTENSION
AND/OR ABOLITION OF CERTAIN EXIST-
ING POOLS IN LEA AND EDDY COUNTIES,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on March 16, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 20th day of April, 1955, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the Williams-Pennsylvanian Pool in Lea County, New Mexico, and the Magruder-Yates Pool in Eddy County, New Mexico, should be created as advertised.

(3) That the D-K Abo Pool should be abolished and its area added to that of the currently existing Warren-Abo Pool; that the Eighty-Four Draw Pool should be abolished and its area added to that of the currently existing Littman-San Andres Pool.

(4) That extensions as advertised, and as modified by testimony and recommendations set forth at the subject hearing, should be approved for the Jalmat Gas Pool, the Warren-Abo Pool, the Littman-San Andres Pool, the North Caprock-Queen Pool, the Townsend-Wolfcamp Pool, the Warren-McKee Pool, the Artesia Pool, and the Caprock Pool.

IT IS THEREFORE ORDERED:

That the application of the Oil Conservation Commission upon its own motion be, and the same hereby is, approved as follows:

(a) That a new pool should be created in Lea County, New Mexico, classified as an oil pool for Pennsylvanian production, designated as the Williams-Pennsylvanian Pool, and described as follows:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
SE/4 Section 19; SW/4 Section 20;
NW/4 Section 29; NE/4 Section 30

(Discovery Well: Superior Oil Company's "335" No. 1-335, NW/4 SE/4 19-13S-32E, completed as a Pennsylvanian producer on January 20, 1955, with top of perforations at 11,097 feet.)

(b) That a new pool should be created in Eddy County, New Mexico, classified as an oil pool for Yates production, designated as the Magruder-Yates Pool, and described as follows:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
SW/4 NW/4, W/2 SW/4 Section 14;
SE/4 Section 15

(Discovery Well: R. S. Magruder State No. 1, SE/4 SE/4 15-21S-27E, completed as a Yates producer on January 20, 1953, top of pay 550 feet.)

(c) That the Jalmat Gas Pool as heretofore classified, defined and described, should be extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
NE/4 Section 24

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
S/2 Section 4

(d) That the D-K Abo Pool should be abolished by combining its present horizontal limits, defined as:

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM
All of Section 30

with the area of the Warren-Abo Pool, and extending same to include:

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM
All of Section 30

(e) That the Warren-Abo Pool, as heretofore classified, defined and described, should be further extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
SE/4 Section 25; NE/4 Section 36

(f) That the Eighty-Four Draw Pool should be abolished by combining its present horizontal limits, defined as:

TOWNSHIP 21 SOUTH, RANGE 38 EAST, NMPM
All Section 8; NW/4 Section 9

with the area of the Littman-San Andres Pool, and extending same to include:

TOWNSHIP 21 SOUTH, RANGE 38 EAST, NMPM
All Section 8, NW/4 Section 9

(g) That the Littman-San Andres Pool, as heretofore classified, defined and described, should be further extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 38 EAST, NMPM
NE/4 Section 17

(h) That the North Caprock-Queen Pool, as heretofore classified, defined and described, should be extended to include therein:

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM
All of Sections 14 and 15

(i) That the Townsend-Wolfcamp Pool, as heretofore classified, defined and described, should be extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
W/2 Section 2 (which includes Lots 3, 4, 5, 6, 11,
12, 13 and 14, and SW/4);
N/2 Section 3 (which includes Lots 1 - 16, incl.)

(j) That the Warren-McKee Pool, as heretofore classified, defined and described, should be extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
NW/4 Section 32

(k) That the Artesia Pool, as heretofore classified, defined and described, should be extended to include therein:

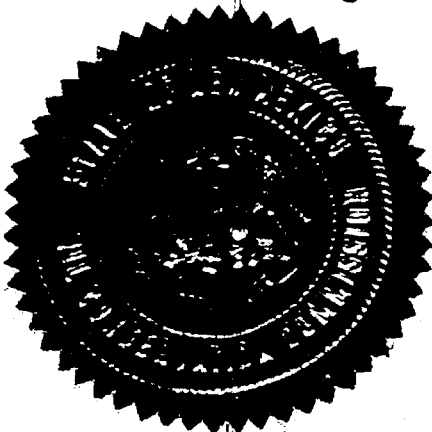
TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
NW/4 Section 35

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
NW/4 Section 23;
E/2 W/2 and SE/4 Section 35

(l) That the Caprock Pool boundary as heretofore classified, defined and described, should be extended to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
S/2 Section 19; N/2 Section 30

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Simms
JOHN F. SIMMS, Chairman

E. S. Walker
E. S. WALKER, Member

W. B. Macey
W. B. MACEY, Member and Secretary

SECRET

13 South, RANGE 34 East,

6	5	4	3	2	1
7	8	9	10	11	12
13	17	16	15	14	13
19	20	21	22	23	24
26	29	28	27	26	25
31	32	33	34	35	36

Producing Form.-Penn. Depth Range 11-12

Proposed Boundary : SE/4 Sec. 18; SW/4 Sec. 20; NW/4 Sec. 29; NE/4 Sec. 30

Colored in Red

Purpose: To create a pool for The Superior Oil Company's State "335" #1-335,

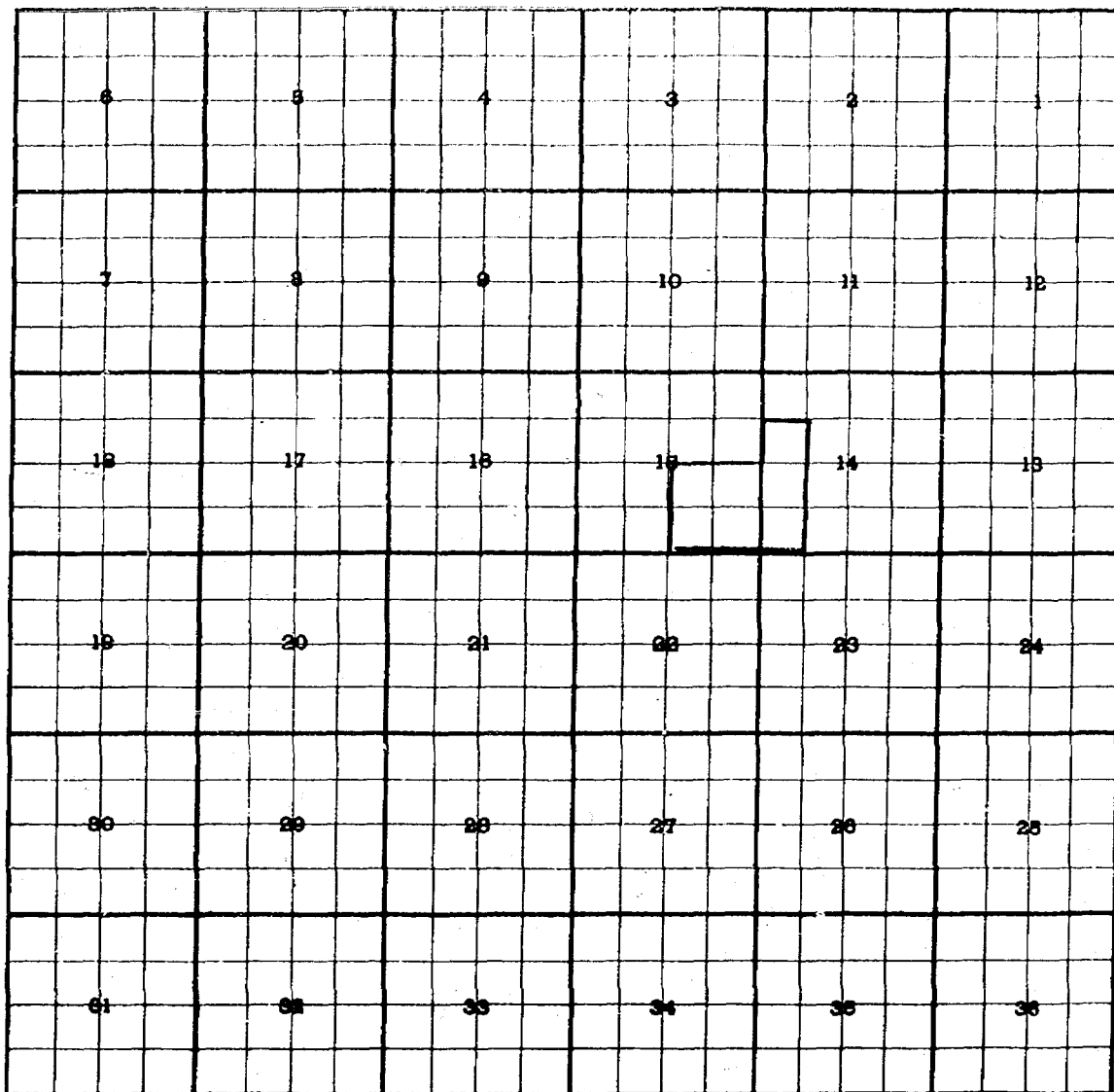
Penn. producer, comp. 1/20/55, t. p. 11,097 in Unit J of Section 19-13-32

A handwritten signature in black ink, appearing to be "M.W." or similar initials, located at the bottom right of the document.

Case #63 -1 Creation of a new pool R. S. Macruder-Yates

County Lea Pool MACRUDER-YATES

TOWNSHIP 21 South, RANGE 21 East, NEW MEXICO PRINCIPAL MERIDIAN



Depth Range 0-5 Producing Formation: Yates

Purpose: To create a new pool for the inclusion of R. S. Macruder State #1 in
Unit P of Sec. 15-21-27, Yates producer, comp. 1/20/53, t.pay 550' also
Burgett and Brininstool State #1-2 J Section 15-21-27

Proposed Boundary : Colored in Red SW/4 NW/4 Sec. 14; W/2 SW/4 Sec. 14; SE/4 Sec. 15

Case 703-C Extension of an oil pool

County Lin Pool Yates

TOWNSHIP 22 South, RANGE 35 East, NEW MEXICO PRINCIPAL MERIDIAN

6	5	4	3	2	1
7	8	9	10	11	12
13	17	16	15	14	13
19	20	21	22	23	24
29	28	25	27	26	25
31	32	33	34	35	36

Depth Range C-5

Producing Formation: From the top of the Tansill formation to a pt. 100' above the base of the Seven Rivers, inc. all the Yates

Purpose: To extend the pool for the inclusion of :

Carper Drilling Co. Carper-Randel #1-A in Unit A of Sec. 24-22-35, Yates
producer, comp. 12/22/54 t.p. 3622

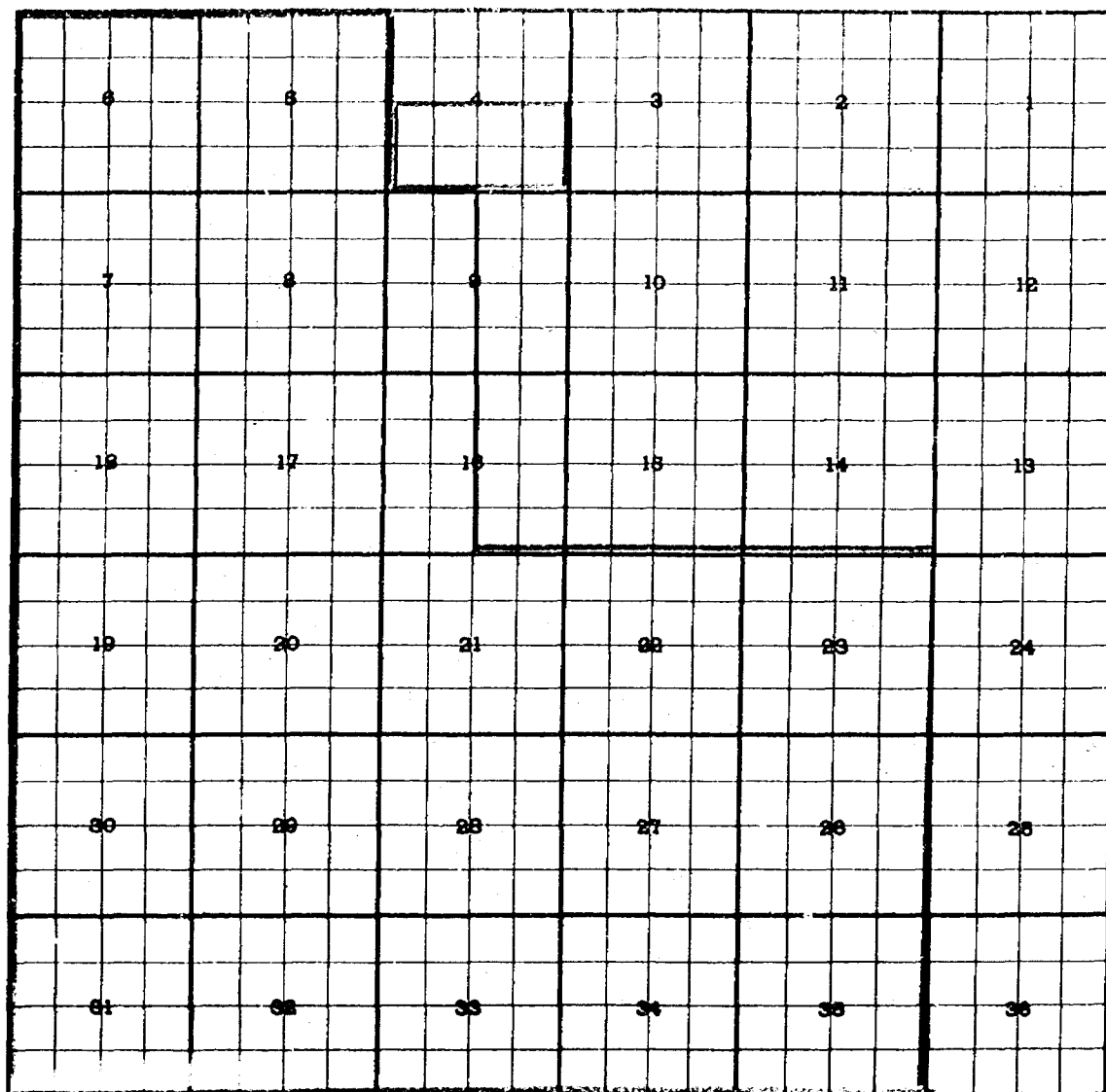
Existing Boundary : Colored in Red

Proposed Extension: Colored in Green NE/4 Sec. 24

Ord 163-C Extension of an existing pool

County _____ Pool _____

TOWNSHIP 24 South, RANGE 37 East, NEW MEXICO PRINCIPAL MERIDIAN



Depth Range 0-5

Producing Formation: From the top of the Tansill to a pt. 100' above the base of the Seven Rivers, incl. all the Yates

Purpose: To Extend the pool to include:

Stanolind Oil and Gas G. Myers "B" #2 (Gas Recombination) in Unit M of
Sec. 4-24-37, recomp. 11/7/54 t.p. 3158 Yates & S R producer

Existing Boundary: Colored in Red

Proposed Extension: Colored in Green S/2 Sec. 4

Card 863 -D -Allocation of the D K Abo and the 1914 Warren in the Warren-Abo

County L.A. Pool WARREN-ABO

TOWNSHIP 20 South, RANGE 39 East, NEW MEXICO PRINCIPAL MERIDIAN

	6	5	4	3	2	1
7	8	9	10	11	12	
13	14	15	16	17	18	
19	20	21	22	23	24	
25	26	27	28	29	30	
31	32	33	34	35	36	

Producing Formation-Abo Depth Range 7-8

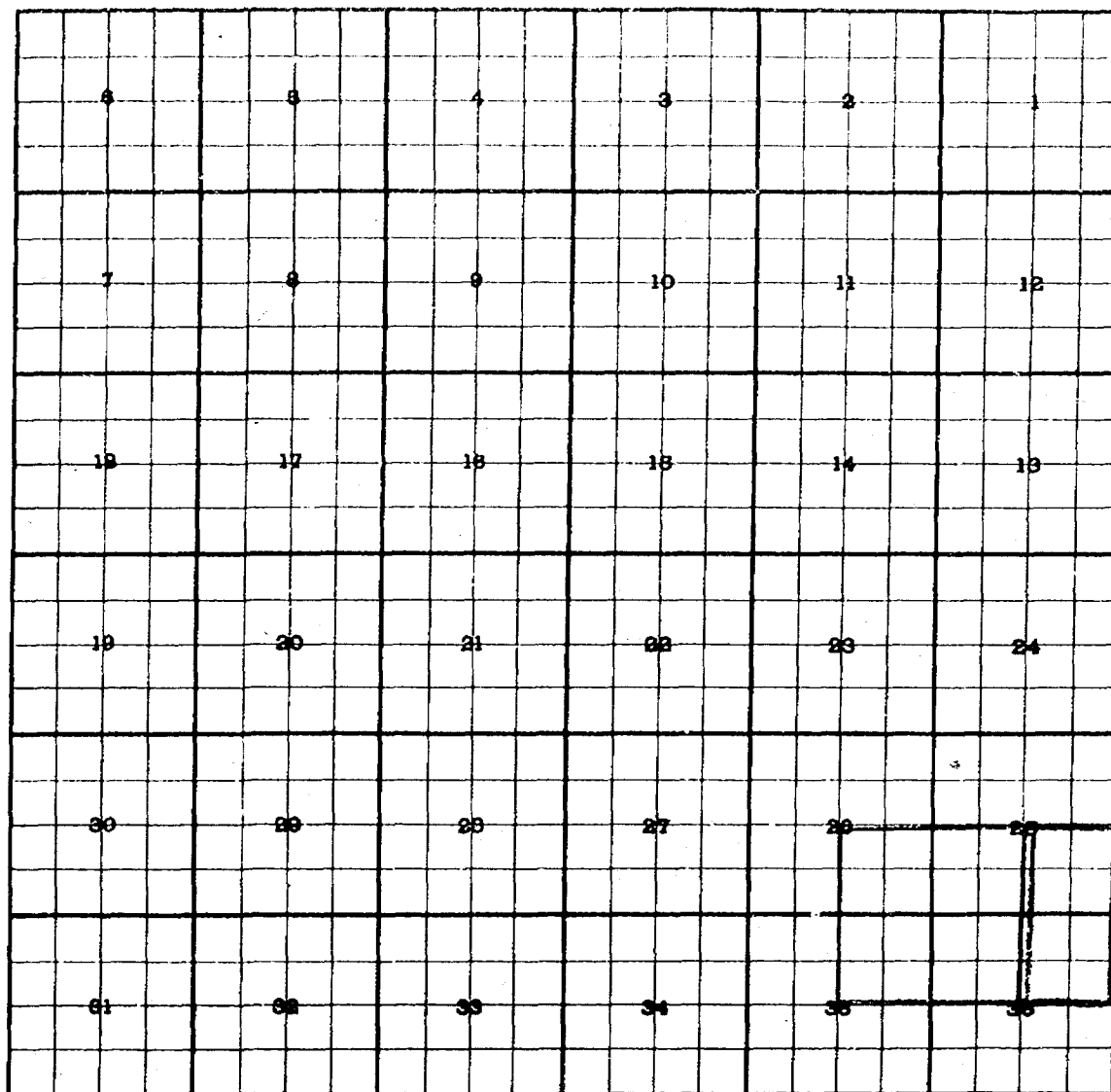
Purpose: To add this area formerly designated as D K Abo to Warren-Abo

Proposed Extension: Section 30 (Colored in green-contiguous to Sec. 25-20-38)

Case 862-B Extension of the Warner-Abo

County Lincoln Pool Warner-Abo

TOWNSHIP 20 South, RANGE 30 East, NEW MEXICO PRINCIPAL MERIDIAN



Producing Form. Abo Depth Range 7-8

Purpose: To extend the pool to include Murphy H. Exter State H #1 comp. 1/6/55
Abo-t.p. 7312 in Unit H of Sec. 36-20-38

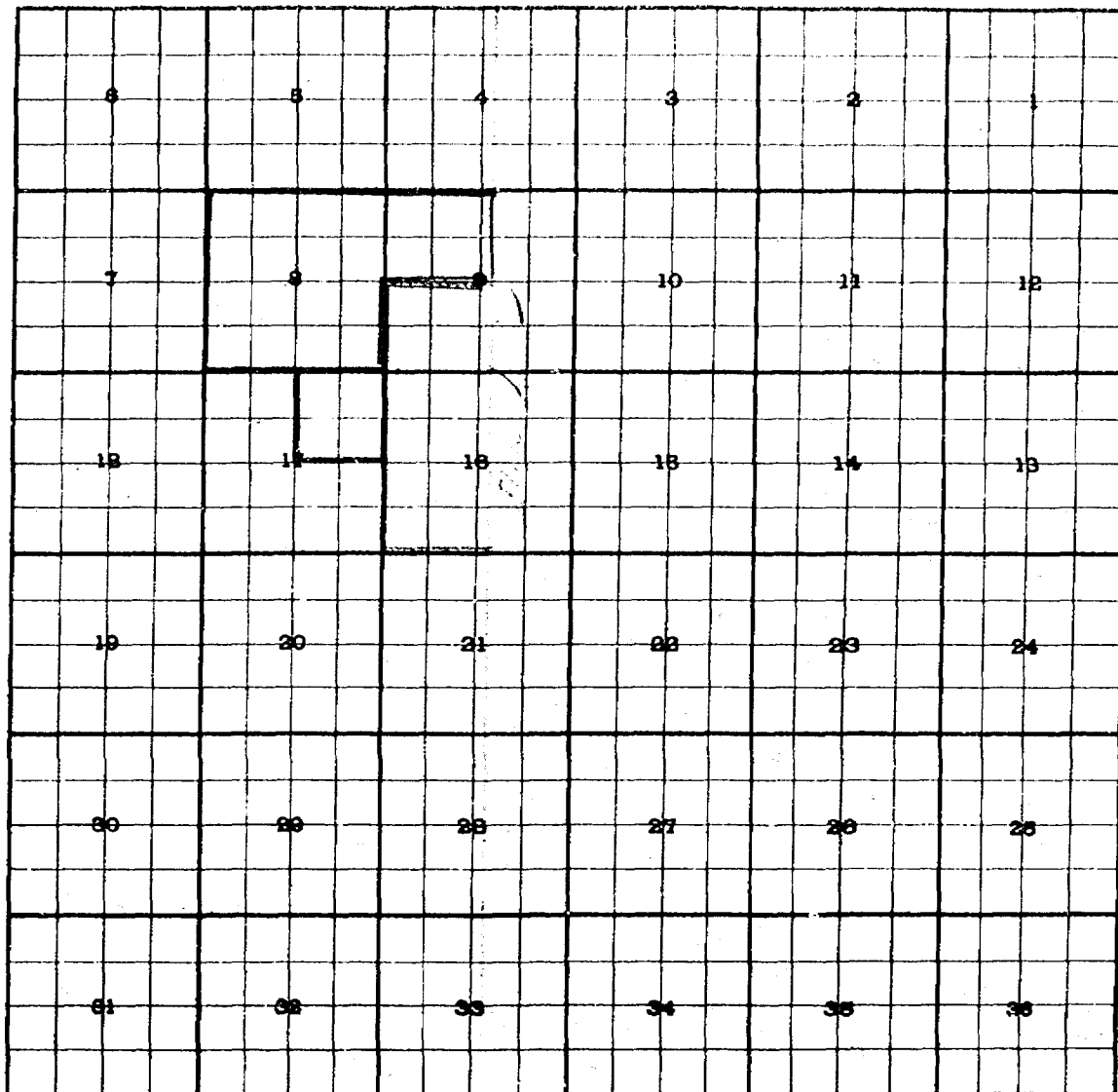
Existing Boundary: Colored in Red

Proposed Extension: Colored in Green SE/4 of Sec. 25; NE/4 of Sec. 36

Class 800-A & C Relinquish of the Eighty-Four Draw Pool and including the area in the Littman-San Andres Pool

County LLA Pool LITTMAN-SAN ANDRES

TOWNSHIP 21 South, RANGE 38 East, NEW MEXICO PRINCIPAL MERIDIAN



Producing Formation -San Andres Depth Range C-5

Purpose: To extend the Littman San Andres to include the area formerly designated as the Eighty-Four Draw and also to include

Neville C. Fenrose, Inc. Ohio Fed. #1 in Unit A of Section 17-21S-38E
San Andres producer, comp. 1/14/55 dec. 4341

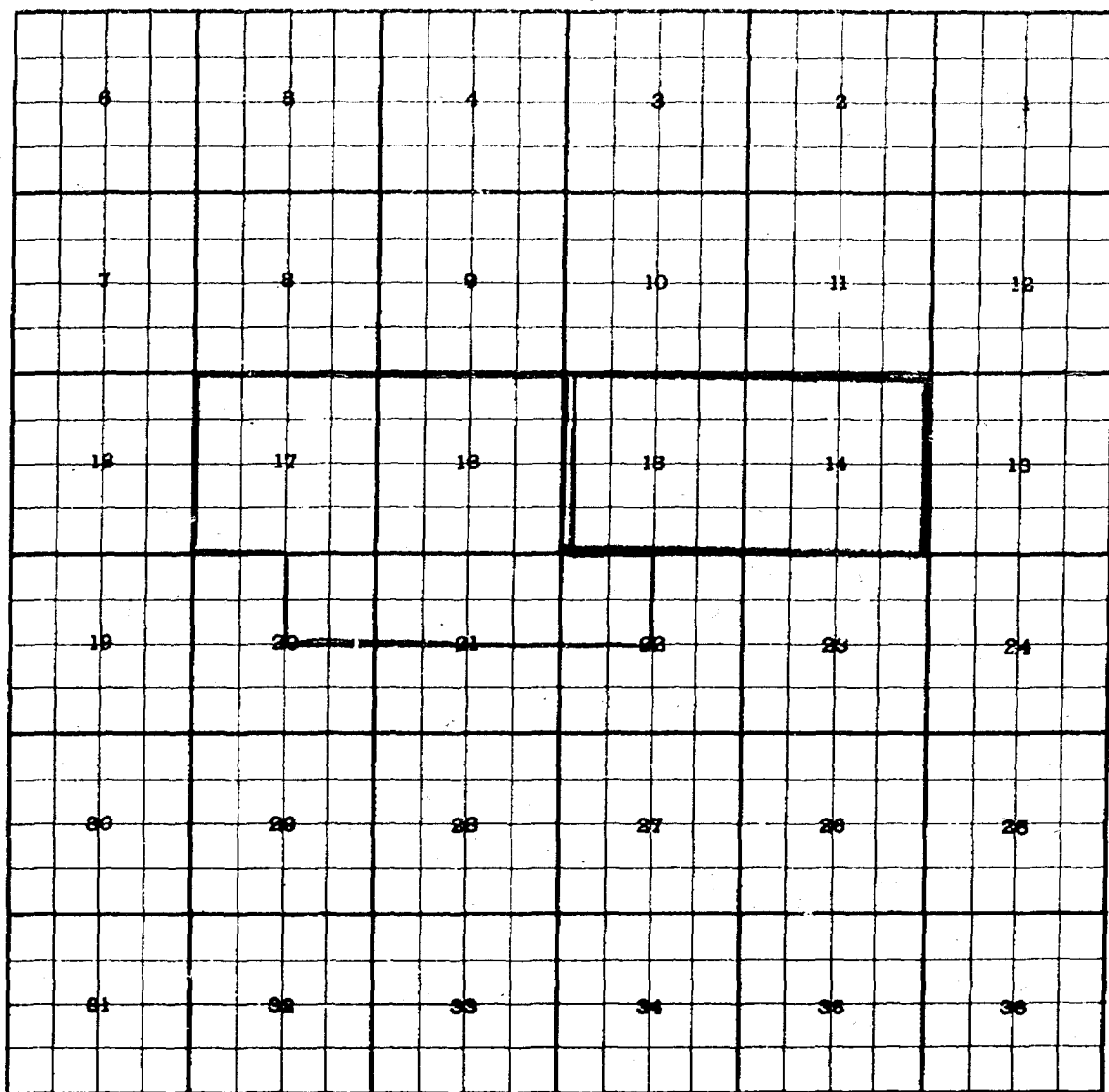
Existing Boundary : Colored in Red

Proposed Extension: Colored in Green (All Sec. 8; NW/4 Sec. 9 and NE/4 Sec. 17)

Case 863 - B Extension of an existing pool

County Lea Pool WHITE-OIL ROCK-LEA

TOWNSHIP 12 South, RANGE 32 East, NEW MEXICO PRINCIPAL MERIDIAN



Producing Formation - Queen Depth Range C-5

Purpose: To extend the pool to include :

Great Western Drilling Co. Magnolia-Speed #1 in Unit P of Sec. 15-12-32
comp. comp. 1/21/55 Qu. decs. 3005

Unadvertised : The Superior Oil Co. W. C. Speed #1 in Unit M of Sec. 14-12-32, comp.
2/25/55 Qu. decs. 2999 &

Existing Boundary: Colored in Red.

Proposed Extension: Colored in Green Sec. 14, and 15 -12-32

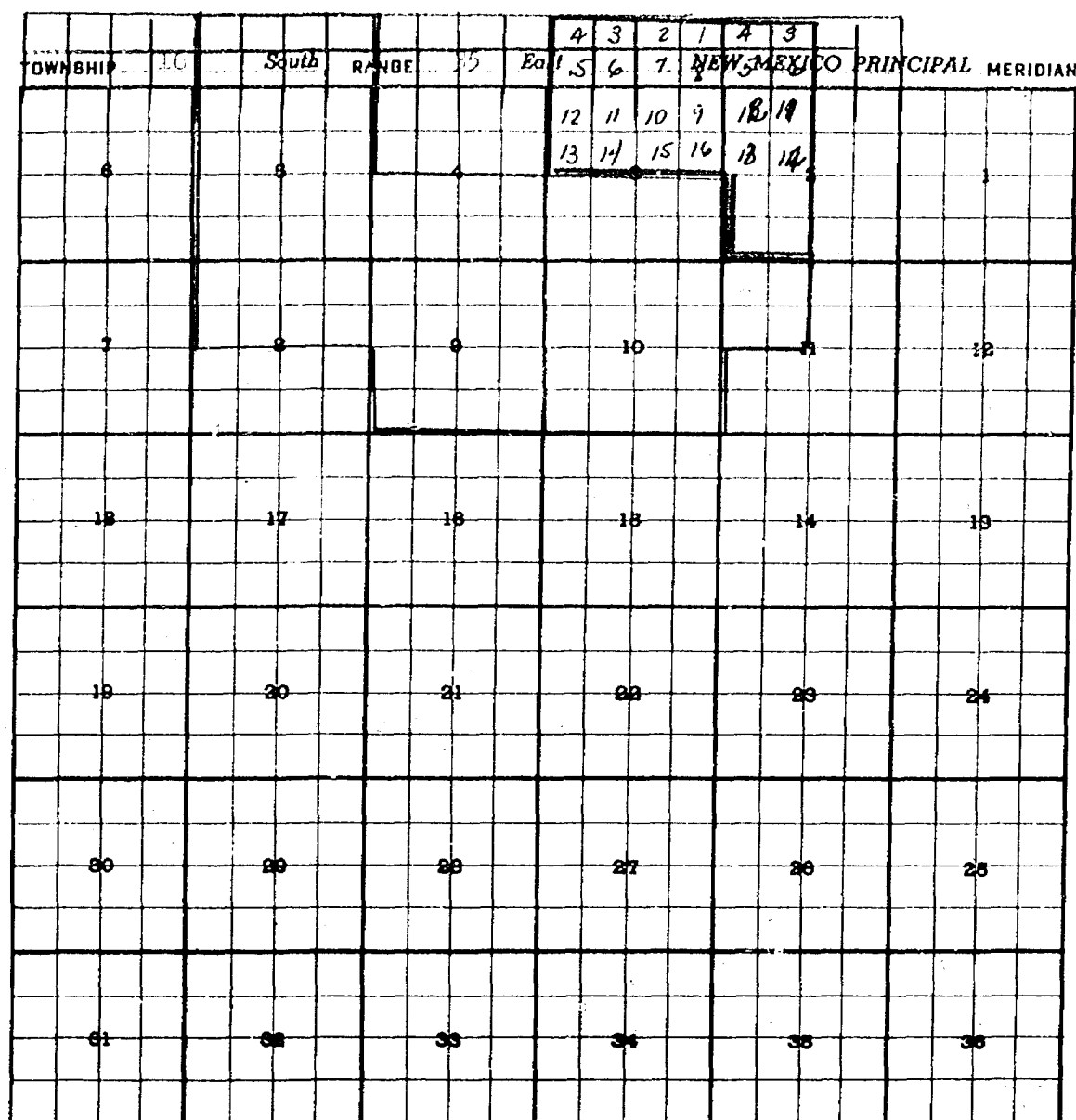
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14 not

ADU -

Case 863-(T) Extension of an oil and gas pool

County Lea Pool Wolfcamp



Depth Range 10-11 Producing Formation-Wolfcamp

Purpose : To extend the pool to include:

E. A. Machris State #3-3 in Unit G of Sec. 3-16-35, comp. 1/22/55, W'Camp,
t.p. 10,420 &

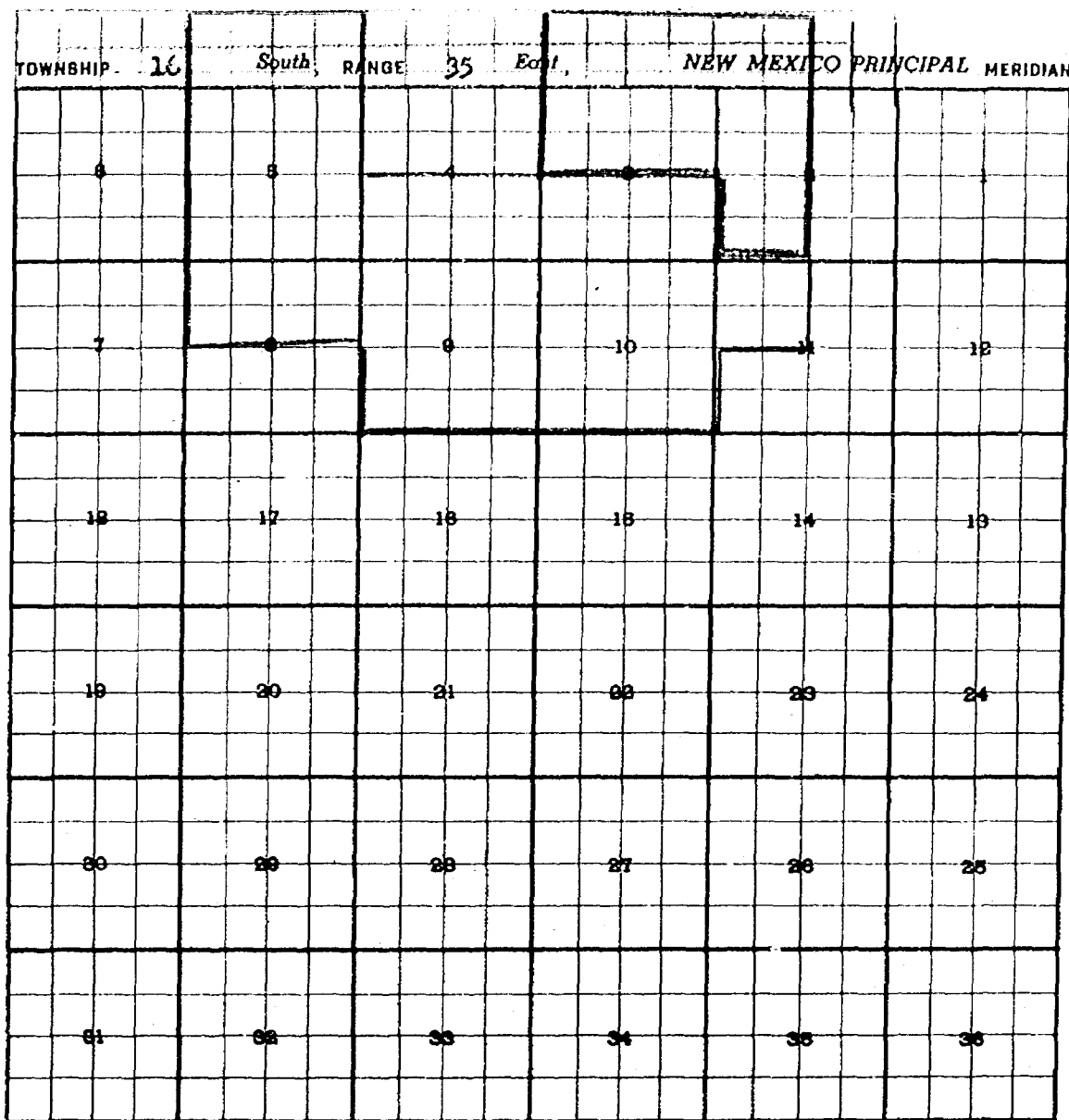
Unadvertised : Shell Oil Co. R. E. Hilburn #3 in Unit U of Sec. 2-16-35, comp. 2/28/55 W'Camp.
t.p. 10,498

Existing Boundary: Colored in Red

Proposed Extension: Colored in Green (Lots 1 through 16 of Sec. 3 ; W/2 of Sec. 2)

Case 863-(I) Extension of an existing pool

County LEA Pool TOWNSEND-WOLFCAMP



Depth Range 10-11 Producing Formation-Wolfcamp

Purpose: To extend the pool to include:

M. A. Machris State #32-3 in Unit G of Sec. 2-16-35, comp. 1/22/55, W'Camp,
t.p. 10,430 &

Unadvertised: Shell Oil Co. R. E. Hilburn #3 in Unit H of Sec. 2-16-35, comp. 2/28/55 W'Camp.
t.p. 10,498

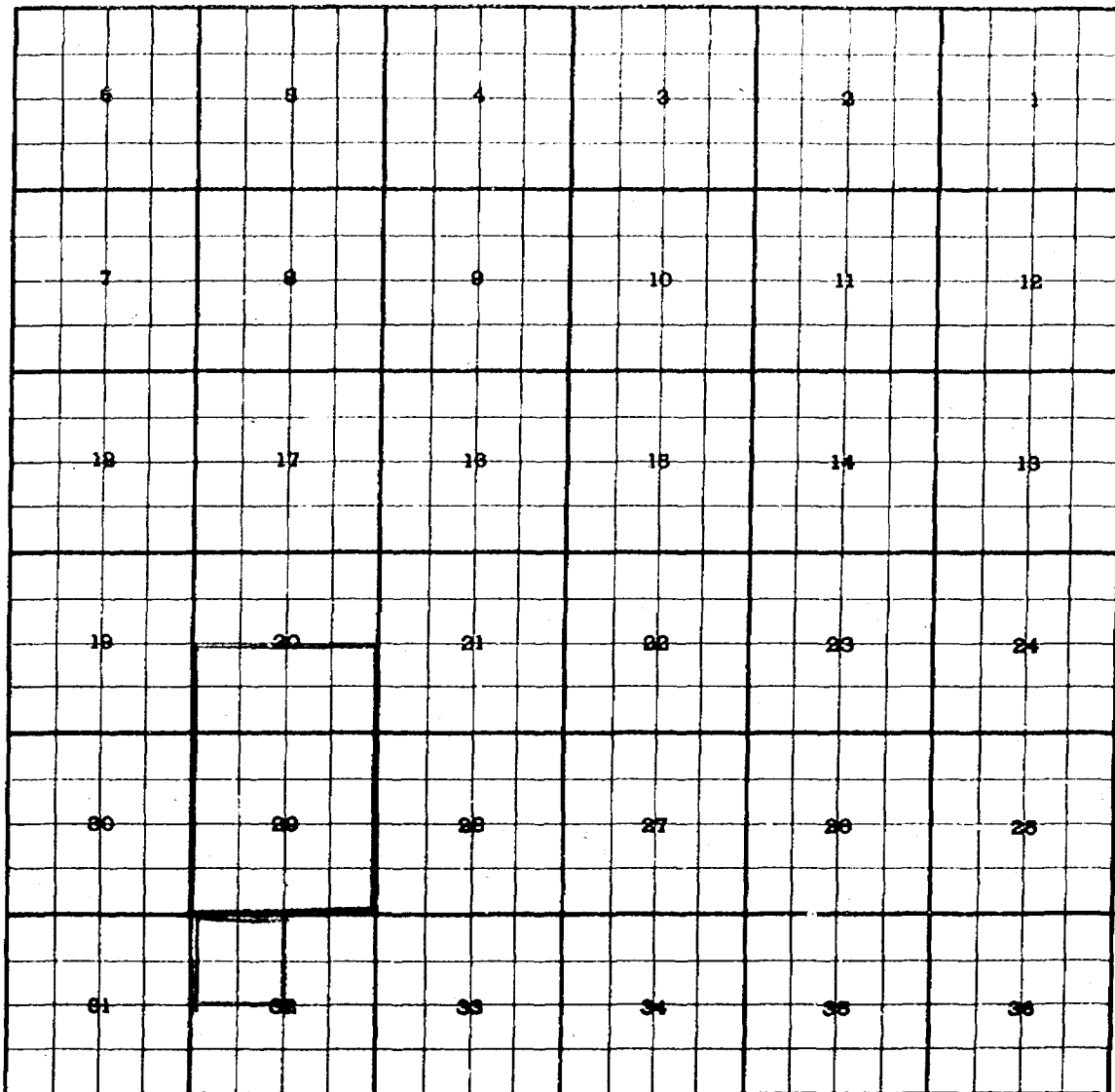
Existing Boundary: Colored in Red

Proposed Extension: Colored in Green (Lots 1 through 16 of Sec. 3; W/2 of Sec. 2)

- Case 663-(3) Extension of an existing pool - McKee

County _____ Pool _____

TOWNSHIP _____ 20 _____ South, RANGE _____ 38 _____ East, _____ NEW MEXICO PRINCIPAL MERIDIAN



Producing Formation-McKee Depth Range 9-10

Purpose: To extend the pool to include:

Gulf Oil Corp. Lea State "EU" #1 in Unit C of 32-20-38 McKee producer
comp. 1/20/55 t.p. 9034

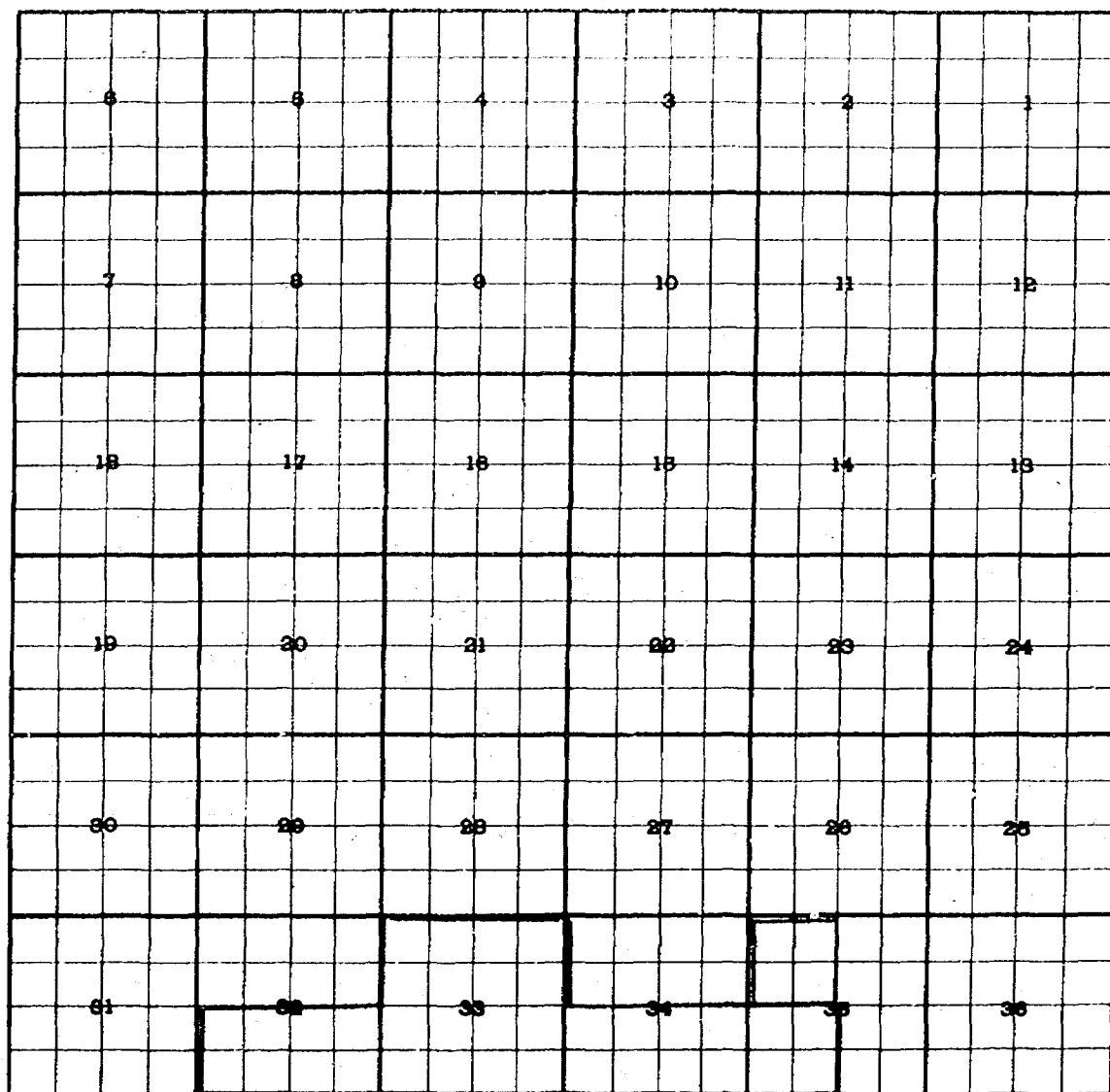
Existing Boundary : Colored in Red

Proposed Extension : Colored in Green (NW/4 of Sec. 32)

Case 863-(K) Extension of an existing pool

County Wash Pool Wash

TOWNSHIP 17 South, RANGE 28 East, NEW MEXICO PRINCIPAL MERIDIAN



Depth Range -C-5 Producing Formation -Grayburg and San Andres

Purpose: To extend the pool to include :

W. C. Welch Sunray State #1, comp. 10-30/54 in Unit E of Sec. 35-17-28,
Grayburg-SA producer, t.p. 2262

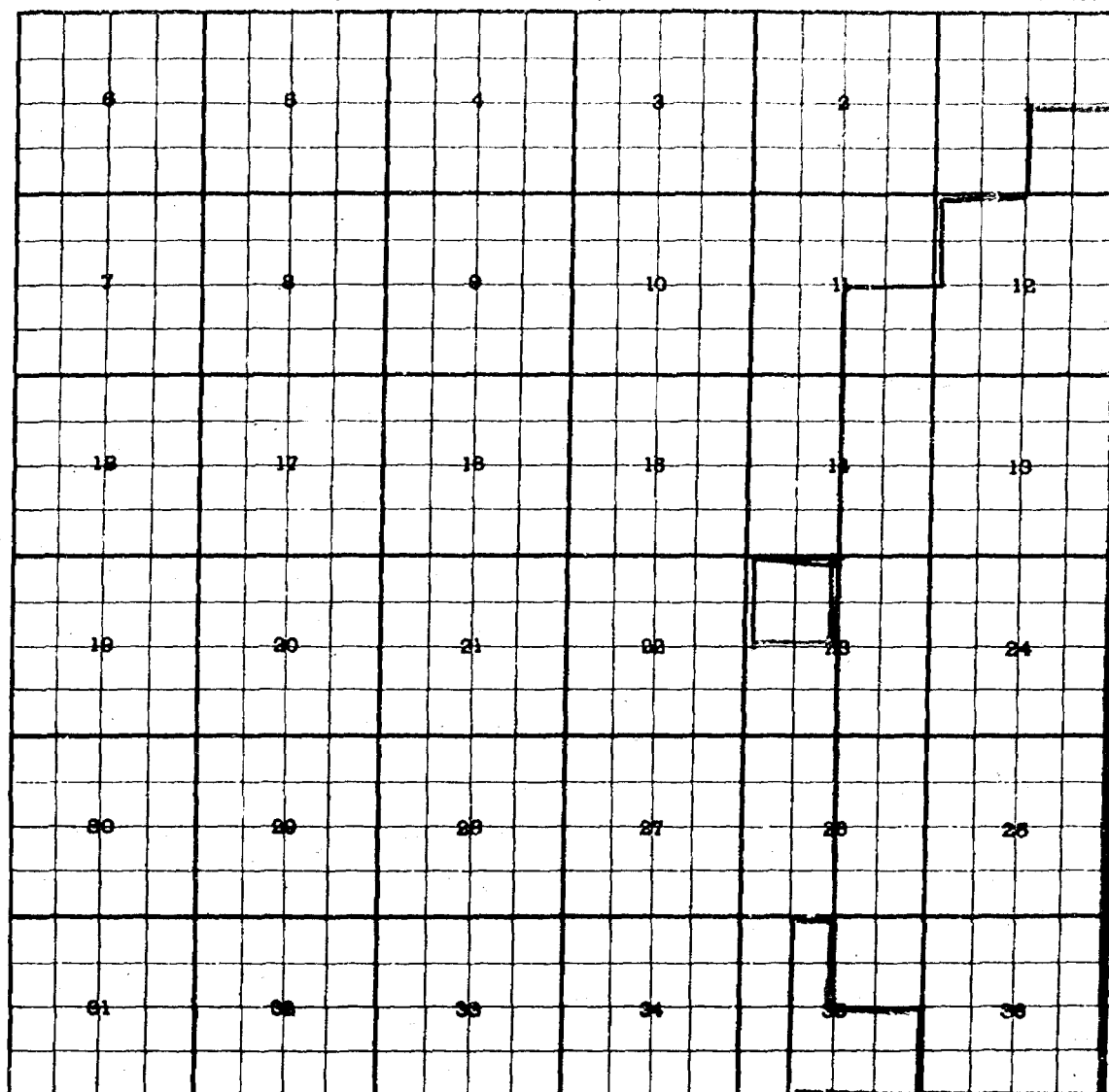
Existing Boundary : Colored in Red

Proposed Extension: Colored in Green (NW/4 of Sec. 35)

Case 863-K Extension of an existing pool

County JOY Pool AGGREGA

TOWNSHIP - 18 South, RANGE - 27 East, NEW MEXICO PRINCIPAL MERIDIAN



Producing Form. Grayburg and SA Depth Range 0-5

Purpose: To extend the pool to include the following walls:

Miller and Smith MRY State #1 in Unit F of Sec. 23-18-27, Grayburg producer,
comp. 11/29/54 tpay 1809

~~W. N. Price Pure-State #1 in Unit F of Section 35 16 27, Greyburg producer,~~
comp. 1/16/55 tp. 1280

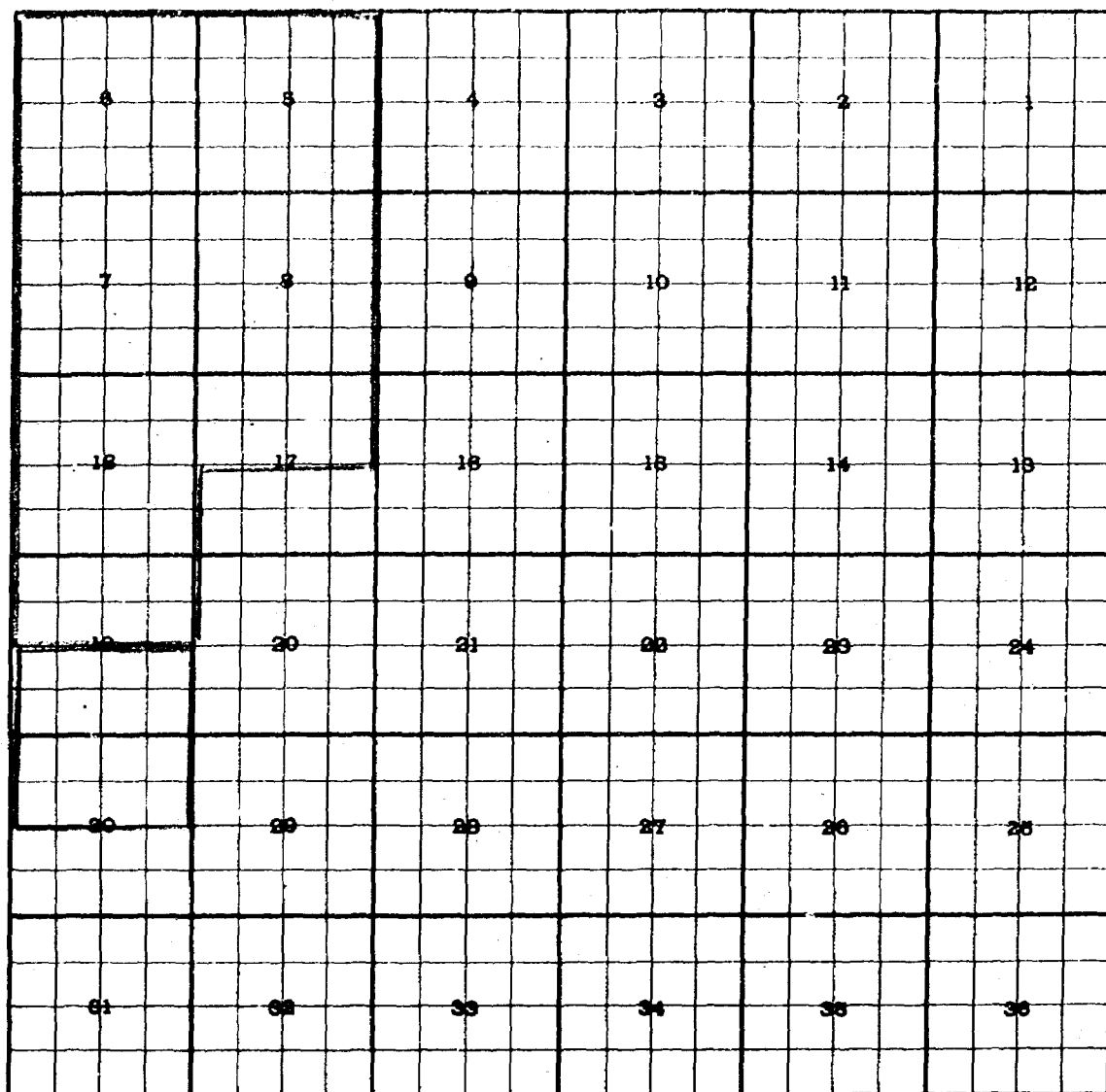
Existing Boundary : Colored in Red

~~Proposed Extension : Colored in Green (NW/4 Sec. 23; E/2 W/2 and SE/4 Sec. 35)~~

Case 863-(L) Extension of an existing pool

County LMA Pool CAPROCK

TOWNSHIP 13 South, RANGE 22 East, NEW MEXICO PRINCIPAL MERIDIAN



Producing Formation: Queen Depth Range 0-5

Purpose: To extend the pool to include the following wells:

The Superior Oil Co. State "340" #1-340 in Unit C of Sec. 30-13-32
Queen producer, dcs. 3053 comp. 2/3/55 and

Amerada Pet. Corp. State Caprock "A" #1-A Sec. 19-13-32, Queen producer,
comp. 3/9/55 dcs. 3048

Existing Boundary : Colored in Red

Proposed Extension: Colored in Green (S/2 Sec. 19; N/2 Sec. 30)

New Mexico
OIL CONSERVATION COMMISSION

GOVERNOR JOHN F. SIMMS
CHAIRMAN
LAND COMMISSIONER E. S. WALKER
MEMBER
STATE GEOLOGIST W. B. MACEY
SECRETARY & DIRECTOR



Box 2045
HOBBS, NEW MEXICO

March 21, 1955

Mr. Charles Rieder
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: March 1955 Nomenclature Case 863-A:
Superior Oil Co. State 335 #1-235

Dear Mr. Rieder:

With reference to the above case, the operator states that the gravity of the fluid produced from this well is 41.5 A.P.I. with a Gas-Oil Ratio of 1709-1. Based upon this fact the pool should be classified as an oil pool. The operator plans to conduct further tests.

Yours very truly,

OIL CONSERVATION COMMISSION

S. J. Stanley
S. J. Stanley
Engineer

SJS/hs

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO

Case

863

March 16, 1955
Hearing

OK Jan

In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order for the creation of new pools, and the extension or abolishing of existing pools in Lea and Eddy Counties, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to appear and show cause why such creations, extensions and deletions should not be made.

(a) Create a new pool in Lea County, New Mexico, classified as an oil pool for Pennsylvanian production, designated as the Williams-Pennsylvanian pool and described as:

Twp. 13 South, Range 32 East
SE/4 of Sec. 19
SW/4 of Sec. 20
NW/4 of Sec. 29
NE/4 of Sec. 30

OK

and such other etc.

(b) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Queen production, designated as the North Benson-Queen pool, and described as:

Twp. 18 South, Range 30 East
E/2 of Sec. 33
W/2 of Sec. 34

OK

and such other lands contiguous etc.

(c) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Yates production, designated as the Magruder-Yates pool, and described as:

Twp. 21 South, Range 27 East
SW/4 of NW/4 of Sec. 14
W/2 of SW/4 of Sec. 14
SE/4 of Sec. 15

OK

and such other etc.

(d) Extend the Jalmat pool boundary in Lea County to include therein:

Twp. 22 South, Range 35 East
NE/4 of Sec. 24

OK

Twp. 24 South, Range 37 East
S/2 of Sec. 4

OK

and such other etc.

(e) Abolish the D-K Abo pool by combining its present horizontal limits defined as:

Twp. 20 South, Range 39 East
All of Sec. 30

OK

COPY

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO

Case _____ (March) P. 2

and extending the present boundary of the Warren-Abo pool to include:

Twp. 20 South, Range 39 East
All of Sec. 30

(g) Extend the Warren-Abo pool boundary in Lea County, New Mexico, to include therein:

Twp. 20 South, Range 38 East
SE/4 of Sec. 25
NE/4 of Sec. 36

and such other etc.

(h) Abolish the Eighty-Four Draw pool by combining its present horizontal limits defined as:

Twp. 21 South, Range 38 East
All of Sec. 8
NW/4 of Sec. 9

and extending the present boundary of the Littman-San Andres pool boundary to include therein:

Twp. 21 South, Range 38 East
All of Sec. 8
NW/4 of Sec. 9

and such other etc.

(i) Extend the Littman-San Andres pool boundary in Lea County, New Mexico, to include therein:

Twp. 21 South, Range 38 East
NE/4 of Sec. 17

and such other etc.

(j) Extend the North Caprock-Queen pool boundary in Lea County, New Mexico, to include therein:

Twp. 12 South, Range 32 East
All of Sec. 15

and such other etc.

(k) Extend the Townsend-Wolfcamp pool boundary in Lea County, New Mexico, to include therein:

Twp. 16 South, Range 35 East
N/2 of Sec. 3

and such other etc.

(l) Extend the Warren-McKee pool boundary in Lea County, New Mexico, to include therein:

Twp. 20 South, Range 38 East
NW/4 of Sec. 32

C
O
P
Y

OIL CONSERVATION COMMISSION
HOBBS, NEW MEXICO

Case _____ March p. 3

and such other etc.

(1) Extend the Artesia pool boundary in Eddy County, New Mexico, to include therein:

Twp. 17 South, Range 28 East
NW/4 of Sec. 35 X OK

Twp. 18 South, Range 27 East
NW/4 of Sec. 23
E/2 W/2 & SE/4 of Sec. 35 X OK

and such other etc.

(2) Extend the Caprock pool boundary in Lea County, New Mexico, to include therein:

T 13S, R 32E

S 1/2 of Sec. 19

N 1/2 of Sec. 30

C
O
P
Y

MAIN OFFICE 800

New Mexico
OIL CONSERVATION COMMISSION



GOVERNOR JOHN F. SIMMS
CHAIRMAN
LAND COMMISSIONER E. S. WALKER
MEMBER
STATE GEOLOGIST W. B. MACEY
SECRETARY & DIRECTOR

Box 2045
HOBBS, NEW MEXICO
February 17, 1955

*Don
Check
this extension
+ contact them
so it can be
advertised
for March*

Mr. W. B. Macey
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Extension of Caprock pool for The
Superior Oil Co. State "340" #1-340
Sec. 30-13-32

Dear Bill:

You will receive a letter from Mr. Fred Spears of the Superior Oil Co. in Midland in regard to Form C-123 for their State "340" #1-340, which was filed Feb. 5th. Superior has asked for an extension of the Caprock pool for this well and it was not included in the February hearing, although there was an extension for that pool on the docket, or the March advertisement.

What happened was this-when I came across the Form C-123 in the course of preparing the plats for the nomenclature case, I wanted to include it in the February hearing, as unadvertised, but when I asked Mr. Porter, he said that you had told him you did not want any more extensions of the Caprock field, unless it was necessary. He also told me to hold it until a further study could be made. So I put it away with that notation.

Mr. Spears called from Midland yesterday and asked about this form, wanting to know whether it had been included in the Feb. case. I told him what had happened, and since he said they were very anxious to have the pool extended, and would like to have it advertised for March, I suggested that he write you as soon as possible. I told him that I would also write you explaining why we had done nothing with it.

Yours very truly,

By John Smith

OIL CONSERVATION COMMISSION

hs

*Extension to Caprock
advertised for March hearing
Go following
T135 R32E
S1/2 Sec 19
N1/2 Sec 30
JW*

MAIL ROOM THE SUPERIOR OIL COMPANY

MIDLAND, TEXAS

February 17, 1955

MAILED 61 AM 2:04

New Mexico Oil Conservation Commission
Mabry Hall, Capitol Building
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. W. B. Macey

Gentlemen:

Please be advised that on February 5, 1955, The Superior Oil Company mailed Form C-123 requesting an extension to the Caprock Field so as to include our New Mexico State #1-340 well located 660' FNL & 1980' FWL, Section 30, T-13-S, R-32-E, Lea County, and producing from the Queen Sand in open hole interval 3053-3070' PBTD. Forms C-104 & C-105 & C-110 have all been filed with the Commission and we have been granted our allowable effective February 3, 1955.

We are advised by your Hobbs District office that the Form C-123 on this well has not been forwarded to your Santa Fe office pending investigation into the possible joining of the Drickey (Queen) & Caprock Fields.

We respectfully request that our application for extension of the Caprock Field to include Superior Oil Company's New Mexico State #1-340 be processed at your earliest convenience.

Yours very truly,

THE SUPERIOR OIL COMPANY,



J. E. Beakey,
General Superintendent.

FHS:jj-1

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO
March 17, 1955

IN THE MATTER OF:

CASE NO. 863

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
Santa Fe, New Mexico
March 17, 1955

Southeastern New Mexico nomenclature case,
calling for the following creations, deletions
and extensions:

(a) Creation of the Williams-Pennsylvanian Pool
in Lea County for production of oil from the
Pennsylvanian described as:

TOWNSHIP 13 SOUTH, RANGE 32 EAST
SE/4 Section 19; SW/4 Section 20;
NW/4 Section 29; NE/4 Section 30

No. 863

(b) Creation of the Magruder-Yates Pool in Eddy
County for production of oil from the Yates,
described as:

TOWNSHIP 21 SOUTH, RANGE 37 EAST
SW/4 NW/4 Section 14;
W/2 SW/4 Section 14;
SE/4 Section 15

(c) Extend the Jalmat Gas Pool to include therein:

TOWNSHIP 22 SOUTH, RANGE 35 EAST
NE/4 Section 24

TOWNSHIP 24 SOUTH, RANGE 37 EAST
S/2 Section 4

(d) Abolish the D-K Abo Pool by combining its present
horizontal limits, defined as:

TOWNSHIP 20 SOUTH, RANGE 39 EAST
All of Section 30

with the area of the Warren-Abo Pool, extending same
to include:

TOWNSHIP 20 SOUTH, RANGE 39 EAST
All of Section 30

(e) Extend the Warren-Abo Pool to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST
SE/4 Section 25; NE/4 Section 36

(f) Abolish the Eighty-Four Draw Pool by combining its present horizontal limits, defined as:

TOWNSHIP 20 SOUTH, RANGE 38 EAST
All Section 8; NW/4 Section 9

with the area of the Littman-San Andres Pool, extending same to include:

TOWNSHIP 21 SOUTH, RANGE 38 EAST
All Section 8; NW/4 Section 9

(g) Extend the Littman-San Andres Pool to include therein:

TOWNSHIP 21 SOUTH, RANGE 38 EAST
NE/4 Section 17

(h) Extend the North Caprock-Queen Pool to include therein:

TOWNSHIP 12 SOUTH, RANGE 32 EAST
All Section 15

(i) Extend the Townsend-Wolfcamp Pool to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST
NW/4 Section 32

(k) Extend the Artesia Pool to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST
NW/4 Section 35

TOWNSHIP 18 SOUTH, RANGE 27 EAST
NW/4 Section 23;
E/2 W/2 and SE/4 Section 35

(l) Extend the Caprock Pool boundary to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST
S/2 Section 19; N/2 Section 30

BEFORE:

Honorable John Simms, Jr.
Mr. E. S. (Johnny) Walker
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case No. 863.

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S. J. STANLEY,

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

DIRECT EXAMINATION

By: MR. KITTS:

Q Will you state your name and position, please.

A S. J. Stanley, Engineer for the Oil Conservation Commission.

Q Now Mr. Stanley, in connection with this case 863, pertaining to nomenclature, Southeastern New Mexico, you have made certain recommendations which are delineated in paragraphs A through L, will you state first of all the recommendation that you have made in paragraph A as appearing on the docket sheet, what the basis for that recommendation is?

A Is the creation of the Williams-Pennsylvanian Pool in Lea County occasioned by the completion of the Superior Oil Company's State 335, No. 1-335, a Pennsylvanian producer completed on January 20 of 1955, with the top of the perforation at 11,097 feet. The well is located in Unit J of Section 19, Township 13 south, Range 32 East.

Q Passing on to paragraph B --

MR. MACEY: Mr. Stanley, was the well an oil well or a gas well, is the Williams-Pennsylvanian an oil pool or --

A (Interrupting) Williams-Pennsylvanian gas pool.

MR. MACEY: What is it advertised as, what did it produce on potential?

A Well, it is questionable whether it is oil or gas, depending on the definition of distillate but I think that down the road that we can define it as either an oil well or a gas

pool on future development.

MR. MACEY: Well, it means quite a bit to Superior, we create an oil pool they can flare the gas, create a gas pool they have got to shoot it awaiting a market.

MR. PORTER: Mr. Macey, I believe that well is currently listed on the oil proration schedule as an oil well, located in Unit J of 19-13-32.

WITNESS: Yes.

MR. PORTER: It is classified currently as an oil well.

A It's got an oil allowable. Well, under the circumstances, I recommend that paragraph A of Case 863 be postponed until further study. I think there is a difference of opinion about its classification, whether it be oil or gas.

MR. MACEY: Well, it is very important to Superior. I wonder what they recommended and what they came up with, do you have any idea?

MR. PORTER: I don't recall on their C-123 whether they specified oil or gas, it might be well at this time to take a look at the 104.

MR. MACEY: Why don't we defer that matter and let someone get the well record and let's just take a look at it and go on to the other.

MR. KITTS: Mr. Stanley, you have made a further recommendation on paragraph B, would you please state the basis for that recommendation.

A It is the creation of a new pool called the Magruder-Yates Pool occasioned by the completion of a well by R. S.

Magruder State No. 1 in Unit P of Section 15, Township 21 South, Range 27 East, a Yates producer, completed January 20, 1953, with the top of the pay 550 feet and also includes the Burgett and Brininstool State No. 1, Unit J, in Section 15, Township 21 South, Range 27 East.

Q Moving on to paragraph C, Mr. Stanley, what is the basis of that recommendation?

A It is the extension of an existing pool, the Jalmut Gas Pool, to extend the pool for the inclusion of the Carper Drilling Company, Carper-Randel No. 1-A in Unit A of Section 24, Township 22 South, Range 35 East, a Yates producer, with the top of the perforation at 3,622 feet.

Q Passing on to paragraph D, will you explain that, please, Mr. Stanley.

A We wish to abolish in paragraph D the D K Abo Pool and include this area into the Warren-Abo Pool. The purpose is to add this area formerly designated as the D. K. Abo to the Warren-Abo, the proposed extension includes all of Section 30, and Section 25, Township 20 South, Range 38 East.

Q You say Section 25 as well?

A Section 25, is the abolishment of the D. K. Abo.

MR. MACEY: I don't follow it, what do you mean?

A I believe that the D. K. Abo does include Section 30, I am sorry, of Township 20 South, Range 38 East.

MR. KITTS: Well, is Section 25 presently in the Warren-Abo?

A Well, we wish to at this particular time abolish the D. K. Abo, its incorporated area as created by the Commission and

include that area into the Warren-Abo and I believe that the D. K. Abo includes Section 30 of Township 20 South, Range 39 East, is that correct?

MR. MACEY: I think I understand what you are getting at now. You are abolishing the D. K. Abo and taking the area of the D. K. Abo which is Section 30 of 20-39?

A Yes, sir.

MR. KITTS: And putting it into the Warren-Abo?

A Yes, sir.

Q And you are extending the Warren-Abo to close the gap between the two pools?

A Yes, sir.

Q In connection with that you have to extend the Warren-Abo in paragraph E, is that correct?

A That is correct.

Q All right, go ahead and read the extension under paragraph E and then if you will read the complete description of the Warren-Abo Pool?

A Yes, sir. Well, in Case 863, paragraph F through J, we wish to abolish the Eighty-Four Draw Pool and include the area into the Littman San Andres Pool. We wish to extend the Littman San Andres to include the area formerly designated as the Eighty-Four Draw and also to include a well occasioned by Neville G. Penrose completion, the Ohio Federal No. 1 in Unit A of Section 17, Township 21 South, Range 38 East, a San Andres producer, completed January 14, 1955, with the casing shoe at 4,341 feet.

In paragraph H of Case 863, we wish to extend the pool to

include the Great Western Drilling Company, Magnolia-Speed No. 1 in Unit P of Section 15, Township 12 South, Range 32 East, completed January 21, 1955, a Queen producer with the depth of the casing shoe at 3,005.

In this particular extension the north Caprock Pool has been advertised as Township 12 South, Range 32 East, all of Section 15. We wish to include or recommend incorporating all of Section 14, to include the Superior Oil Company, W. C. Speed No. 1 in Unit M of Section 14, Township 12 South, Range 32 East, completed February 25, 1955, with the depth of the casing shoe at 2,999 feet.

Q So that would be an inclusion of both sections 14 and 15?

A That is correct.

Q But it was only advertised to include Section 15, is that correct?

A That is correct.

MR. KITTS: I would recommend that we continue this one, paragraph H.

A It is contiguous and we advertised the case to include any contiguous territory.

MR. KITTS: That is right. Is that all the comment that you have on paragraph H, Mr. Stanley?

A Yes, sir.

Q Will you proceed to I.

A Yes, sir. In paragraph I of Case 863 we wish to extend the Townsend-Wolfcamp Pool to include Township 16 South, Range 35 East, the north half of Section 3, and I'd like to explain what we mean by north half of Section 3, since this is a long section.

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We wish to include by explaining the north half of Section 3, lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, and 16, and in addition we wish to include the entire section or the west half of Section 2, more specifically described as lots 3 and 4, 11 and 12, 13, 14, and also the southwest quarter of Section 2.

MR. MACEY: What happened to Lots 5 and 6?

A Well, excuse me, 3, 4, 5, 6, 11, 12, 13, 14, and the southwest quarter Section 2. This was occasioned by the Shell Oil Company, R. E. Hilburn No. 3 in Unit U of Section 2, Township 16 south, Range 35 East, completed February 28, 1955, with the top of the perforation at 10,498 feet and in Section 3 to include M. A. Machris State No. 32-3 in Unit C of Section 3, Township 16 South, Range 35 East, completed January 22, 1955, a Wolfcamp producer with the top of the perforation at 10,430 feet.

MR. MUTZ: Mr. Stanley, that is an extension in the Townsend-Wolfcamp in the north half of Section 3 and all of the west half of Section 2, is that correct?

A That is correct.

MR. KITTS: Paragraph J, Mr. Stanley, you made a further recommendation, will you explain that.

A Extension of the existing pool, the Warren-McKee Pool, purpose to extend the pool to include the Gulf Oil Corporation, Lea State "BU" No. 1 in Unit C of Section 32, Township 20 South, Range 38 East, a McKee producer completed January 20, 1955, with the top of the perforations at 9,034 feet.

Q Paragraph K, you recommend an extension of the Artesia Pool, will you explain that.

A To extend the Artesia Pool to include the northwest quarter of Section 35, Township 17 South, Range 28 East, a Grayburg and San Andres producer with the top of the perforation at 2,262 feet to include the W. C. Welch Sunray State No. 1, completed October 30, 1954.

Q And paragraph --

A And also in the Artesia pool --

Q Oh, you haven't finished that?

A To include the northwest quarter of Section 23, Township 18, Range 27 East, occasioned by the completion of the Miller and Smith MRY State No. 1 in Unit F of Section 23, Township 18 South, Range 27 East, and also in Section 35 occasioned by the completion of the W. N. Price Pure-State No. 1 in Unit F of Section 35, Township 18 South, Range 27 East, completed January 18, 1955, with the top of the perforation at 1,880 feet.

Q Paragraph L, Mr. Stanley, you recommend a further extension, will you state what that is and the basis for it.

A Extension of an existing pool to include the Caprock Pool to include the south half of Section 19 and the north half of Section 30, Township 13 South, Range 32 East, occasioned by the Completion of the Superior Oil Company, State "340", No. 1-340 in Unit C of Section 30, Township 13 South, Range 32 East, a Queen producer with the depth of the casing shoe at 3,053 feet and also to include the Amerada Petroleum Corporation, State Caprock "A" No. 1-N of Section 19, Township 13 South, Range 32 East, completed March 9, 1955, with the depth of the casing shoe at 3,048 feet.

Q Mr. Stanley, you have prepared certain exhibits incorporated

in these recommendations, have you not?

A Yes, sir, I have.

Q And you have them marked for the reporter, do you?

A Yes, sir, I have.

Q They are A through L?

A Yes, sir, they are.

MR. KITTS: We offer in evidence Commission Staff's Exhibits A through L, inclusive.

MR. MACEY: Without objection they will be received.

MR. PORTER: Mr. Stanley, would you please review your recommendation in paragraph C having to do with an extension of the Jalmat Pool?

A Paragraph C concerning the extension of the Jalmat Pool -- we wish to incorporate the northeast quarter of Section 24, Township 22 South, Range 35 East.

MR. MACEY: They have another provision in 24-37, would you give it.

A Let's see if I have an exhibit here. Also, in the Jalmat case we wish to include the south half of Section 4, Township 24 South, Range 37 East, purpose to include the Stanolind Oil and Gas Company, C. Myers "B" No. 2, a gas recompletion in Unit M of Section 4, Township 24, Range 37 East, top of the perforation is 3,188 feet, a well completed within the vertical limits of the Jalmat Pool.

MR. MACEY: Any questions of the witness?

MR. HANSON: Mr. Stanley, did I understand under paragraph K in the Artesia Pool, in Township 18 South, Range 27 East, Section 35, I don't believe I understood you to give the portion

of the section of 35 which is to be included in the pool.

A In paragraph A?

MR. KITTS: K.

MR. HANSON: Paragraph K, under Township 18 South, Range 27 East, I only understood you to mention Section 35.

A Well, we also included in that case the northwest quarter of Section 23, Township 18 South, Range 27 East.

MR. HANSON: Yes, I understood that and then you mentioned Section 35.

A And in Section 35 we are to include the east half of the northwest quarter of the southeast quarter of Section 35 and the east half of the southwest quarter of Section 35.

MR. KITTS: Will you repeat that again.

A It is the east half of the west half of Section 35, that is occasioned by the completion of Unit F of Section 35, Township 18 south, Range 27 East.

MR. MACEY: Going back to paragraph A, investigation of well file doesn't tell us very much. Mr. Kitts, do you think it would be in order if we, rather than continue the case, allow Mr. Stanley to submit us some data on what he thinks it ought to be an oil pool or a gas pool, in the next week or so and if it is a gas pool we will defer action and if it is an oil pool why we will go along as advertised.

MR. KITTS: It is advertised as a --

MR. MACEY: As an oil pool.

WITNESS: I think that would be very proper.

MR. KITTS: If it is a gas pool we will defer action. It is

questionable whether it is oil or a gas pool.

MR. MACEY: No further questions of the witness? Take the case under advisement.

(Witness excused.)

* * * * *

STATE OF NEW MEXICO }
COUNTY OF BERNALILLO } SS.

I, MARGARET MCCOSKEY, 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 6th day of April, 1955.

Margaret McCoskey
Notary Public-Court Reporter

My commission expires
August 15, 1956.