50 Replication, Transcript, Smill Exhibits, Etc.

	BEFORE THE	
	Gil Conservation Commission	
	SANTA FE. NEW MEXICO April 21, 195	
IN THE MATTER	of: 883- Regular Hearing	
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	TRANSCRIPT OF PROCEEDINGS	
	ADA DEARNLEY AND ASSOCIATES Court Reporters 605 Simms Building Telephone 3-6691 Albuquerque, New Mexico	

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DEFORS THE OIL CONSERVATION DOERIESTOR Santa Fe, New Mexico
IN THE MATTER OF:
Application of the Oil Conservation Commiss- ion upon its own motion for an order abolish- ing the Nichols Pool in Widy County, New Mexico, and extending the present boundaries of the Artesia Pool in Eddy County to include therein:
TOWNSHIP 18 SOUTH, RANGE 28 SAST S/2 N/2 and S/2 Section 13; SE/4 Section 14; NE/4 Section 23; N/2 Section 24
BEFORE: Mr. E. S. (Johnny) Walker Mr. William B. Macey
TRANSCRIPT OF HEARING
MR. MACEY: The next case on the docket is Case 883.
<u>S. J. STANLEY</u> ,
called as a witness, having been previously duly sworn, testified as follows:
DIRECT EXAMINATION
By MR. KITTS:
Q State your name and position, please,
A S. J. Stanley, Engineer for the Cil Conservation Commission.
Q Are you familiar with Case 883?
A Yes, sir.
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Q In connection with this case, to you have a recommendation to make?

A Yes, sir, I have.

Q Will you state that recommendation?

A In Case 8°3 we wish to abolish the Hichols Pool as presently defined and include the area advertised to extend the Artesia Pool in Eddy County.

Q What is the reason for that recommendation?

A The reason for the recommendation is that the discovery well of the Nichols Pool located in the Southeast quarter of the Southwest quarter of Section 13, Township 18 South, Range 28 East, was completed on June 29, 1948 at a total depth of 2,938 feet in the San Andres Formation. The top of the San Andres line, by samples was 2,630 feet. The nearest production to this wildcat or discovery well is in Sections 10 and 21, Township 18 South, Range 28 East, in the Artesia Pool.

Due to development through the sections and through the general area, we now have a common boundary between the Artesia and Nichols Pool. The Artesia Pool has been designated as Grayburg and San Andres, and the Nichols was designated as only San Andres production. We have two recent wells completed in both the Grayburg and San Andres Formations and in the horizyntal limit of the Nichols Pool, the wells of the Kincaid-Watson Company, Brown & State No. 2 in Section 13, Township 18 South, Range 28 East. The top of the Grayburg Formation is 2,315 and the top of the San Andres at 2,620 feet. Also the well of the Nixon and Curtis, Haskins State No. 1, Section 13, Township 18, South, Range 28 East. The tops are as follows:

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San Andres, 2,592. Shere is also a recently completed well of Malco, Wrestler and Yates, located in Jection 23, Township 16 Douth Range 28 Mast which is producing from both the Grayburg and San Andres Formations.

In view of the fact that the Wichols Pool boundary coincides with the Artesia Pool boundary, and due to the fact we now have producers in both the Grayburg and San Andres, and producing within the same vertical limit as the Artesia Pool is defined, we therefore, want to consolidate these two pools by abolishing the Wichols Pool.

MR. KITTS: That is all.

MR. MACEY: Any questions of the witness? Do you have any exhibits?

A Yes, sir. We have an exhibit showing the location of the two pools and the proposed deletions. I would like to enter them in evidence.

Q (By Mr. Kitts:) You prepared that yourself?

A Yes.

(Marked Commission's Exhibit No. 1 for identification.)

MR. KITTS: We offer the exhibit.

MR. MACEY: Without objection it will be received. Any questions of the witness? If not the witness may be excused.

(Witness excused.)

MR. MACEY: We will take the case under advisement.

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STATE OF NEW MEXICO) : COUNTY OF BERNALILLO)

I, <u>ADA DEARNLEY</u>, 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 <u>30th</u> day of <u>April</u>, 1955.

ss.

Ada Scamley Notery Public, Court Reporter

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My Commission Expires:

June 19, 1955

Show 883: Analiching the Michael Facl in 1967 June by, and extension the beneficies of the Artesia Pacl

County_____Dy

Pool_____

25 East, 35 South, RANGE NEW MEXICO PRINCIPAL MERIDIAN TOWNSHIP -Depth Range C-5 Producing Formation -Grayburg and San Andres Purpose: To extend the pool to include : Melco Resler and Yates State #124 comp. 2/9/55 TD 3054 t.p.2610 Unit I 14-18-28 Greyburg producer Malco, Recler and Yates State #125 in Unit A of 23-18-28, San Andres producer, comp. 3/25/55 t.p. 2800 Existing Boundary : Colore in Red Proposed Extension: Colored in Green-S/2 N/2 and S/2 Sec. 13 SE/4 Sec. 14 NE/4 Sec. 23 N/2 Sec. 24 Chitout/

18 28 East, NEW MEXICO PRINCIPAL MERIDIAN South, RANGE TOWNSHIP -Depth Range 0-5 Producing Formation -Grayburg and San Andrea Purpose: To extend the pool to include : Malco Resler and Yates State #124 comp. 2/9/55 TD 3054 t.p.2610 Unit I 14-18-28 Grayburg producer Malco, Resler and Yates State #125 in Unit A of 23-18-28, San Andres producer, comp. 3/25/55 t.p. 2800 Existing Boundary : Colored in Red Proposed Extension: Colored in Green-S/2 N/2 and S/2 Sec. 13

Case 883: Abolishing the Nichols Pool in Eddy County, and extending the boundaries of the Artesia Pool

Pool ARTESIA

County_EDDY

SE/4 Sec. 14 ME/4 Sec. 23 N/2 Sec. 24

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 883 Order No. R-650

THE APPLICATION OF THE COMMISSION UPON ITS OWN MOTION FOR AN ORDER ABOLISHING THE NICHOLS OIL POOL OF EDDY COUNTY, NEW MEXICO, AND EXTENDING THE BOUNDARIES OF THE ARTESIA POOL TO INCLUDE THAT AREA CURRENTLY DESIGNATED AS THE NICHOLS OIL POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 20, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this $20^{\frac{th}{2}}$ day of June, 1955, the Commission, a quorum being present, having considered the record and the testimony adduced at said hearing, and being fully advised in the premises,

FINDS:

(i) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That development has proved the Nichols Oil Pool of Eddy County, New Mexico, to be a portion of that common source of supply designated by the Commission as the Artesia Oil Pool of Eddy County, New Mexico.

(3) That there is no longer reason to consider the Nichols Oil Pool as separate and distinct from the Artesia Oil Pool, and that said Nichols Oil Pool as presently defined by the Commission should be abolished.

(4) That the area contained in the Nichols Oil Pool as presently defined by the Commission should be consolidated with that area now contained in the Artesis Oil Pool as presently defined by the Commission.

IT IS THEREFORE ORDERED:

(1) That the Nichols Oil Pool in Eddy County, New Mexico, as presently defined by the Commission be, and the same hereby is abolished.

(2) That the horizontal boundaries of the Artesia Oil Pool in Eddy County, New Mexico, as presently defined by the Commission be, -2-Order No. R-650

and the same hereby are extended to include that area formerly known as the Nichols Oil Pool in Eddy County, New Mexico, which area is more particularly described as follows:

> TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM S/2 N/2, S/2 of Section 13 SE/4 of Section 14 NE/4 of Section 23 N/2 of Section 24

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

S TATE OF NEW MEXICO OIL CONSERVATION COMMISSION

oh. 71 JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

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