

CASE 1189: Southeastern New Mexico
Nomenclature abolishing the Hardy Pool &
extension of Eumont and Penrose-Skelly. 7

Casa No.

1189

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

IN THE MATTER OF:

Case No. 1189

TRANSCRIPT OF PROCEEDINGS

DEARNLEY-MEIER AND ASSOCIATES
COURT REPORTERS
605 SIMMS BUILDING
TELEPHONE 3-6691
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 16, 1957

IN THE MATTER OF:

Southeastern New Mexico nomenclature case calling for the abolishment of the Hardy Pool in Lea County, New Mexico, and for the extension of the Eumont and Penrose-Skelly Oil Pools in Lea County, New Mexico.

(a) Abolish the Hardy Pool in Lea County, New Mexico.

(b) Extend the Eumont Pool boundary to include:

Township 20 South, Range 37 East
Section 25: NW/4 and S/2

Township 20 South, Range 38 East
Section 31: All

(c) Extension of the Penrose-Skelly Pool to include:

Township 21 South, Range 37 East
Section 4: W/2
Section 8: NE/4
Section 9: W/2
Section 16: NW/4

Case No.
1189

TRANSCRIPT OF HEARING

BEFORE: Honorable Edwin L. Mechem
Mr. Murray Morgan
Mr. A. L. Porter, Jr.

MR. PORTER: I believe we should take up next Case No.
1189.

MR. COOLEY: Let the record show that the witness, John
W. Runyan was sworn for the purposes of all nomenclature cases

in which he is to testify.

(Whereupon, Mr. Cooley, attorney for the Oil Commission,
read the title of the within case.)

JOHN W. RUNYAN.

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

DIRECT EXAMINATION

By MR. COOLEY

Q Will you state your name for the record please?

A John W. Runyan.

Q And your position?

A Geologist, New Mexico Oil Conservation Commission.

Q In your official capacity, Mr. Runyan, have you had an
opportunity to study the proposed abolishments and extensions
concerned in this case?

A Yes, sir, I have. This case came before the Commission
in December, 1956, and due to objection by Stanolind was post-
poned to this date. Since that time, Stanolind wrote a letter to
us and asked to withdraw their objection to the abolishment of
the Hardy Pool.

Q In view of the withdrawal of this objection, what are
your recommendations in this case?

A I recommend that the Hardy Pool be abolished as origi-
nally advertised, and also that the following portions of the
abolished Hardy Pool be extended to--it will be the Eumont Pool,
to include the Northwest/quarter and South/half of Section 25,
the East/half of Section 36 in Township 20, Range 37 East, and

all of Section 31 in Township 20, Range 38. And I recommend the following to be added to the Penrose-Skelly Pool: The west/half of Section 4, Northeast/quarter of Section 8, West/half of Section 9, Northwest/quarter of Section 16, Township 21 South, Range 37 East.

Q Do you have any further recommendations?

A No, sir, I don not.

Q Do you have any exhibits to offer?

A Yes, I wish to submit Exhibits A, B and C to the Commission.

MR. PORTER: Without objection, they will be admitted.

SPECTATOR: Mr. Porter, I don't know how important it is, but on the docket they imply that the Eumont is an oil pool, whereas actually it is a gas pool. I thought I would make mention of it, I don't know how important it is.

MR. PORTER: I see what you mean. I don't know how that was advertised, I don't have a copy of the advertisement.

MR. COOLEY: I think it is probably sufficient for a legal description. Let the record show that the witness' recommendation in regard to extension of the Eumont Pool be corrected to an extension of the Eumont Gas Pool.

MR. PORTER: Mr. Runyan, as I understand your recommendations, the recommended extensions to the Eumont Pool and to the Penrose-Skelly Pool will take in all of those wells which were formerly in the Hardy Pool?

A That is correct.

MR. PORTER: Does anyone else have a question? The witness may be excused and we will take the case under advisement.

STATE OF NEW MEXICO }
COUNTY OF SANTA FE } ss.

I, Dorothy B. Myers, Court Reporter and Notary Public in and for the County of Santa Fe, State of New Mexico, do hereby certify the foregoing and attached transcript of proceedings before the Oil Conservation Commission for the State of New Mexico was reported by me in shorthand and reduced to typewritten transcript by me, and that the same is a true and correct record to the best of my knowledge, skill and ability,

WITNESS my hand and seal this 24th day of January, 1957.

Dorothy B. Myers
Notary Public / Court Reporter

My commission Expires:

August 3, 1960

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

IN THE MATTER OF:

Case No. 1189

December 13, 1956.
DEARNLEY-MEIER AND ASSOCIATES
COURT REPORTERS
605 SIMMS BUILDING
TELEPHONE 3-6691
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
December 13, 1956

IN THE MATTER OF:

Southeastern New Mexico nomenclature case calling for the abolishment of the Hardy Pool in Lea County, New Mexico, and the extension of the Eumont and Penrose-Skelly Oil Pools in Lea County, New Mexico.

(a) Abolish the Hardy Pool in Lea County, New Mexico.

Case 1189

(b) Extend the Eumont Pool boundary to include:

Township 20 South, Range 37 East
Section 25: NW/4 and S/2
Section 36: E/2

Township 20 South, Range 38 East
Section 31: All

(c) Extension of the Penrose-Skelly Pool to include:

Township 21 South, Range 37 East
Section 4: W/2
Section 8: NE/4
Section 9: W/2
Section 16: NW/4

BEFORE:

Mr. A. L. Porter
Mr. E. S. (Johnny) Walker

TRANSCRIPT OF PROCEEDINGS

MR. PORTER: We will take up next Case 1189.

MR. GURLEY: Case 1189. Southeastern New Mexico nomenclature case calling for the abolishment of the Hardy Pool in Lea County, New Mexico, and the extension of the Eumont and Penrose-Skelly Oil Pools in Lea County, New Mexico.

JOHN W. RUNYAN

a witness, of lawful age, having been first duly sworn on oath,
testified as follows:

DIRECT EXAMINATION

By MR. GURLEY:

Q Would you state your name, please?

A John W. Runyan.

Q What is your position?

A Geologist, New Mexico Oil Conservation Commission.

Q Mr. Runyan, in your official capacity as geologist, have
you had an opportunity to study the proposal of the abolishment
of the Hardy Pool in Lea County, New Mexico?

A Yes, sir, I have.

Q What are your recommendations?

A I recommend that this pool be abolished as advertised.

This abolishment was due to the overlapping and contiguous vertical
limits of the Eumont and Hardy Pool.

Q Do you have an exhibit that you wish to submit?

A Yes, I have.

Q Do you wish to have that marked as Exhibit A?

A At the time it was marked A, B, and C. It is one exhibit
for the three.

Q Very well. Did you prepare this exhibit?

A Under my direction.

Q It was prepared under your direction. Mr. Runyan, have
you had an opportunity to study the proposed extension of the
Eumont Pool?

A Yes, sir, I have, and I recommend it be extended as adver-

tised.

Q Have you, in your official capacity, had an opportunity to study the proposed extension of the Penrose-Skelly Pool?

A Yes, sir, I have, and I recommend it be extended as advertised.

Q Are the proposed extensions of the Eumont and Penrose-Skelly Pools substantiated by your exhibit there?

A Yes, they are.

Q That exhibit was prepared under your direction?

A That is correct.

MR. GURLEY: I would like to submit Exhibit A, B, and C in this case.

MR. PORTER: Without objection it will be admitted.

Q Do you have anything further?

A No, sir, I do not.

MR. GURLEY: That is all the questions.

MR. PORTER: Does anyone have a question of Mr. Runyan?
Mr. Smith.

CROSS EXAMINATION

By MR. SMITH:

Q The Eumont Pool proposed to be extended includes what vertical limits -- is it Queen or Grayburg, also?

A The Eumont, itself, the vertical limits are the Yates, Seven Rivers, and Queen.

Q Yates, Seven Rivers, and Queen?

A Yes.

Q No Grayburg?

A No, sir.

Q My recollection, after examining the portion included in there, that Stanolind Oil and Gas Company has some wells completed in both the Queens and the Grayburg in the Hardy Pool, and it will also be in the Eumont Pool with the abolition of the Hardy Pool. With that in mind, I am curious as to whether or not you gave any consideration to the existing condition of the wells, whether or not it would be required to plug back to the Queens and not produce any longer from the Grayburg?

A Well, when I made the study of the records that we had, it indicated there was only one well which was in the Grayburg at that time, and we excluded that from the Eumont when we extended this area, but if there is some question that there are some Grayburg wells in this area --

Q We do, as I understand it, have some wells that will be in the Eumont Field completed to the Grayburg. The wells are completed in both the Grayburg and the Queen.

A If you would submit to us the location information on these wells, we would be happy, I imagine, to do further study on this.

Q We have no objection to the abolition of the Hardy Pool, provided we are not put in the position of having to recomplete some of our wells.

A Yes.

Q I think the notice that first came out doesn't show the precise locations of the two respective pools, until we got this copy right here. We are not prepared at this time to give you this information. Mr. Brown will supply the Commission with the locations

of our wells so that you can take those into consideration, either provide for exemptions so that the wells can continue to operate under present completion, or extend the Eumont to include whatever Grayburg production you may have.

A You submit the information to us for further study of the situation; and it probably would be advisable to continue the case.

MR. SMITH: I would appreciate it if the Commission would do that.

MR. GURLEY: You recommend, then, that we continue Sections (a) and (b) of this case, or just Section (a)?

MR. PORTER: You have to continue the whole case, I believe.

MR. SMITH: I think you would have to continue the whole case. I am not positive, but there is a possibility of the wells that we have in mind may be in the Penrose-Skelly Pool; and we would like to verify the information. We would like to have the whole case continued. We will supply you with the information on the wells.

MR. PORTER: The Commission feels that in view of the fact there is a question as to how many of these wells, if any, are producing partially from the Grayburg, that we should continue the case, and will do so until the January hearing.

MR. SMITH: Thank you. I think the trouble has been most of the wells were completed years and years ago, and it is incomplete information on them available. Actually you have to be in there operating them yourself to know where they are.

MR. PORTER: Hardy is one of the oldest pools in Lea County.

MR. SMITH: It is.

MR. PORTER: Mr. Runyan, you may be dismissed.

(Witness excused).

* * * * *

C E R T I F I C A T E

STATE OF NEW MEXICO)
 : ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in stenographic and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 31st day of December, 1956, in the City of Albuquerque, County of Bernalillo, State of New Mexico.


Notary Public

My commission expires:
June 19, 1959.

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO

Case

1189

11/20/56

OK
WMM
11/20/56

In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order abolishing the Hardy Pool in Lea County, New Mexico, and extending the Eumont and Penrose-Shelly oil pools in Lea County, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to appear and show cause why such objections and extensions should not be made:

(A) Abolish the Hardy pool in Lea County, New Mexico

(B) Extend the Eumont Pool boundary in Lea County, New Mexico, to include therein:

~~Twp. 20South, Range 3East~~
~~NE/4 and S/2 of Section 25~~
~~E/2 of Section 36~~

~~Twp. 20South, Range 3East~~
~~All of Section 31~~

and such other etc.

(C) Extend the Penrose-Shelly Pool boundary in Lea County, New Mexico, to include therein:

~~Twp. 21 South, Range 3East~~
~~W/2 of Section 4, NE/4 of Section 8, W/2 of Sec. 9,~~
~~NE/4 of Section 16, NE/4 of Section 27~~

and such other etc.

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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1189
Order No. R-947

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION UPON
ITS OWN MOTION FOR AN ORDER
ABOLISHING AND EXTENDING CERTAIN
POOLS IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
December 13, 1956, and at 9 o'clock a.m. January 16, 1957, at
Santa Fe, New Mexico, before the Oil Conservation Commission of
New Mexico, hereinafter referred to as the "Commission."

NOW, on this 30th day of January, 1957, 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 there is need for the abolishment of the Hardy
Pool in Lea County, New Mexico.

(3) That there is need for certain extensions to the
Eumont Gas Pool and the Pearose-Shelly Pool, both in Lea County,
New Mexico.

IT IS THEREFORE ORDERED:

(a) That the Hardy Pool in Lea County, New Mexico, as
heretofore classified, defined, and described, consisting of the
following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
S/2 NW/4 and S/2 Section 25
All Section 36

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
All Section 31

Case No. 1189
Order No. R-947

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NEPM
Lot 1, 2, 7, 8, 9, 10, 15, and 16 of Section 1

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NEPM
Lot 4 of Section 4
All Sections 5 and 6; N/2 Section 7

be and the same is hereby abolished.

(b) That the Dunant Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NEPM
Section 25: NW/4 and S/2
Section 30: N/2

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NEPM
Section 21: All

(c) That the Pearene-Shelly Pool in Lea County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NEPM
Section 4: W/2
Section 5: NE/4
Section 9: W/2
Section 10: NW/4

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E L Meehan
EDWIN L. MEEHAN, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary



DOCKET: REGULAR HEARING DECEMBER 13, 1956

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, NM

- ALLOWABLE: (1) Consideration of the oil allowable for January, 1957.
- (2) Consideration of the allowable production of gas from designated pools in Lea County, New Mexico, for January, 1957, consideration of the gas allowable for January, 1957, for the prorated pools of San Juan and Rio Arriba Counties, New Mexico, and also presentation of purchasers' nominations for the 6-month period beginning February 1, 1957, for the prorated pools of San Juan and Rio Arriba Counties.

NEW CASES

CASE 1185:

Application of the Ibex Company for an order authorizing three pilot water flood projects in the Artesia Pool, Eddy County, New Mexico, in exception to Rule 701 of the New Mexico Oil Conservation Commission Rules and Regulations, and further approving the unorthodox location of a number of its old wells in said pool. Applicant, in the above-styled cause, seeks an order authorizing three separate pilot water flood projects in the Premier sand of the Grayburg formation of the Artesia Pool; said projects to be effected by means of water injection through approximately 16 existing wells in Sections 4, 21, 28, and 32, Township 18 South, Range 28 East, Eddy County, New Mexico. Applicant also seeks Commission approval of the unorthodox location of certain of the above referenced wells.

CASE 1186:

Application of El Paso Natural Gas Company for the forced pooling of the N/2 of Section 26, Township 31 North, Range 11 West, Blanco-Mesaverde Pool, San Juan County, New Mexico, or in the alternative, for a 280-acre non-standard drilling and proration unit in the Blanco-Mesaverde Pool. Applicant, in the above-styled cause, seeks an order force pooling the N/2 of Section 26, Township 31 North, Range 11 West, San Juan County, New Mexico, or in the alternative, authorizing a 280-acre non-standard drilling and proration unit in the Blanco-Mesaverde Pool consisting of the NW/4, N/2 NE/4, SE/4 NE/4 of said Section 26.

CASE 1187:

Application of the New Mexico Oil Conservation Commission upon its own motion for an order changing the name and information required on Form C-128, as established by Rule 1127 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order changing the name of Form C-128 to "Well Location and Proration Plat" and to change certain of the information required to be reported thereon.

CASE 1188:

Southeastern New Mexico nomenclature case calling for the creation of new pools and the extension of and deletion of certain areas from existing pools in Lea, Chaves, Eddy and Roosevelt Counties, New Mexico

- (a) Creation of a new oil pool for San Andres production, designated as the West Cave-San Andres, and described as:

Township 17 South, Range 28 East
Section 12: SE/4

- (b) Creation of a new oil pool for Pennsylvanian production, designated as the Four Lakes-Pennsylvanian Pool, and described as:

Township 12 South, Range 34 East
Section 1: NW/4
Section 2: NE/4

- (c) Creation of a new oil pool for Grayburg production, designated as the West Henshaw-Grayburg Pool, and described as:

Township 16 South, Range 30 East
Section 8: SW/4

- (d) Creation of a new oil pool for Pennsylvanian production, designated as the Leamex-Pennsylvanian Pool, and described as:

Township 17 South, Range 33 East
Section 23: SW/4

- (e) Creation of a new oil pool for Pennsylvanian production, designated as the Milnesand-Pennsylvanian Pool, and described as:

Township 8 South, Range 35 East
Section 18: SW/4

- (f) Creation of a new oil pool for Grayburg and San Andres production, designated as the West Square Lake-Grayburg-San Andres Pool, and described as:

Township 16 South, Range 29 East
Section 25: SE/4 SE/4
Section 36: NE/4

Township 16 South, Range 30 East
Section 30: SW/4

- (g) Creation of a new gas pool for Pennsylvanian production, designated as the Welch-Pennsylvanian Gas Pool and described as:

Township 26 South, Range 37 East
Section 21: NW/4

- (h) Delete from the Blinebry Oil Pool the following:

Township 21 South, Range 37 East
Section 4: Lot 8

- (i) Delete from the Blinebry Gas Pool the following:

Township 21 South, Range 37 East
Section 4: Lot 8

- (j) Extension of the Terry-Blinebry Pool to include:

Township 21 South, Range 37 East
Section 4: Lot 8

- (k) Extension of the Caprock-Queen Pool to include:

Township 14 South, Range 31 East
Section 35: W/2 NW/4

- (l) Extension of the Eumont Pool to include:

Township 18 South, Range 37 East
Section 33: N/2

Township 19 South, Range 37 East
Section 22: W/2 NW/4

Township 22 South, Range 37 East
Section 15: N/2 NW/4

- (m) Extension of the vertical limits of the Leo Pool to include the Queen formation, and extend the pool boundary to include:

Township 18 South, Range 30 East
Section 26: W/2 NW/4 and NW/4 SW/4
Section 27: E/2 NE/4 and NE/4 SE/4

- (n) Extension of the Loco Hills Pool to include:

Township 18 South, Range 29 East
Section 19: NE/4

- (o) Extension of the North Mason-Delaware Pool to include

Township 26 South, Range 31 East
Section 24: E/2

- (p) Extension of the vertical limits of the Palmillo Pool to include the Grayburg formation, with the present pool boundary of:

Township 18 South, Range 29 East
Section 30: S/2

- (q) Extension of the Red Hills-Yates Pool to include:

Township 19 South, Range 30 East
Section 28: SW/4
Section 29: S/2

CASE 1189:

Southeastern New Mexico nomenclature case calling for the abolishment of the Hardy Pool in Lea County, New Mexico, and the extension of the Eument and Penrose-Skelly Oil Pools in Lea County, New Mexico.

- (a) Abolish the Hardy Pool in Lea County, New Mexico.
(b) Extend the Eument Pool boundary to include:

Township 20 South, Range 37 East
Section 25: NW/4 and S/2
Section 36: E/2

Township 20 South, Range 38 East
Section 31: All

- (c) Extension of the Penrose-Skelly Pool to include:

Township 21 South, Range 37 East
Section 4: W/2
Section 8: NE/4
Section 9: W/2
Section 16: NW/4

CASE 1190:

Northwestern New Mexico nomenclature case calling for the extension of existing pools in San Juan and Rio Arriba Counties, New Mexico.

- (a) Extension of the Ballard-Pictured Cliffs Pool to include:

Township 25 North, Range 8 West
Section 24: NE/4

Township 27 North, Range 8 West
Section 32: S/2

- (b) Extension of the South Blanco-Pictured Cliffs Pool in San Juan and Rio Arriba Counties, New Mexico, to include:

Township 26 North, Range 6 West
Section 25: SE/4
Section 36: NE/4

Township 27 North, Range 9 West
Section 23: W/2

(c) Extension of the Blanco-Mesaverde Pool to include:

Township 27 North, Range 3 West
Sections 7, 8 & 9: All (fractional)
Sections 16, 17, & 18: All

Township 27 North, Range 4 West
Section 13: All

(d) Extension of the Bisti-Lower Gallup Oil Pool to include:

Township 25 North, Range 12 West
Section 4: SW/4 SW/4

CONTINUED CASES

CASE 1053:

Application of the Oil Conservation Commission upon its own motion, at the request of the State Engineer, for an order prescribing rules and regulations to govern the disposal of salt water in areas of Lea County, New Mexico. The Commission desires to formulate rules and procedures which will result in the efficient disposal of salt water and which will eliminate the practice of surface disposal of large volumes of oil field brines in order to prevent the contamination of the fresh-water bearing horizons in Lea County, New Mexico.

CASE 1102:

REHEARING Application of the Ohio Oil Company for rehearing in Case 1102, Order R-392 which established pool rules for the Dean Permo-Pennsylvanian and Dean-Devonian Pools, Lea County, New Mexico. Applicant, in the above-styled cause, seeks reconsideration by the Commission of the spacing and allowable provisions for the Dean Permo-Pennsylvanian Pool with particular attention to the allowable for existing wells on 40-acre tracts. Applicant contends that such wells should retain the normal 40-acre allowable rather than one-half of the normal 80-acre allowable as established by Order R-392.