

DEARNLEY-MEIERS REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

February 14, 1962

REGULAR HEARING

IN THE MATTER OF:

Southeastern New Mexico nomenclature
case calling for an order creating new
pools, extending, abolishing and con-
tracting certain existing pools and
changing pool name in Eddy, Lea and
Roosevelt Counties, New Mexico.

CASE NO.
2494

BEFORE: Edwin L. Mechem, Governor
E. S. "Johnny" Walker, Land Commissioner
A. L. "Pete" Porter, Secretary-Director of Commission

TRANSCRIPT OF HEARING

MR. PORTER: The Hearing will come to order.

MR. WHITFIELD: Case No. 2494, Southeastern New Mexico
nomenclature case.

Mr. Nutter, will you stand and be sworn?

(Witness sworn.)

DANIEL S. NUTTER,

called as a witness herein, having been first duly sworn on oath,
was examined and testified as follows:

DIRECT EXAMINATION

BY MR. MORRIS:



Q Will you state your name and position, for the record, please?

A Daniel Nutter, chief engineer for the New Mexico Oil Conservation Commission.

Q Mr. Nutter, in your capacity with the Commission, are you prepared to testify concerning the necessity of creating new pools, extending, abolishing and contracting certain existing pools and changing the name of a pool in Eddy, Lea and Roosevelt Counties, New Mexico?

A Yes, sir.

Q Have you prepared an exhibit reflecting your recommendations?

A I have had such an exhibit prepared. Yes, sir.

Q Is that marked as Exhibit 1 in Case 2494?

A Yes, sir.

Q Referring to that exhibit, Mr. Nutter, do you have a recommendation concerning the creation of a new gas pool for Devonian production?

A Yes, sir. I would recommend that a new gas pool for Devonian production be created, designated as the North Bell Lake Devonian Gas Pool, comprising the SE/4 of Section 6, Township 23 South, Range 34 East. This pool was discovered by the Devonian Bell Lake No. 6 in Section 6, Township 23 South, Range 34 East. It was completed June 8, 1960. The top of perforations is 14,008 feet.



Q Do you have a recommendation concerning the creation of a new gas pool for Morrow production?

A Yes, sir. I would recommend that a new gas pool for Morrow production be created, designated as the Cedar Lake-Morrow Gas Pool, comprising the Northeast quarter of Section 36, Township 17 South, Range 30 East. This pool was discovered by El Paso's State No. 1, located in Unit E, of Section 36. It was completed in the Morrow Sand February 11, 1961. The top of the perforation is at 12,357.

Q Do you have a recommendation concerning the creation of a new oil pool for Seven Rivers production?

A Yes, sir. I would recommend that the East Empire Yates-Seven Rivers Pool be created comprising the South half of Section 27, Township 17 South, Range 28 East, Eddy County, New Mexico. This pool was discovered by the John Yates State Well, No. 1 located in Unit K, Section 27, Township 17 South, Range 30 East. It was completed in the Seven Rivers formation June 22, 1961. The top of the perforation is 786 feet.

Q Do you have a recommendation concerning the creation of a new oil pool for Devonian production?

A Yes, sir. I recommend that a new oil pool be created designated as the North Justis-Devonian Pool and comprising the Northeast quarter of Section 2, Township 25 South, Range 37 East, Lea County. This Pool was discovered by Shell Oil Company's State JM-1, located in Unit B, Township 25 South, Range 37 East.



This well was completed in the Devonian formation December 1, 1961. The top of the perforation was 7,064 feet.

Q Do you have a recommendation concerning the creation of a new oil pool for Delaware production?

A Yes, sir. I would recommend that the East Mason-Delaware Pool be created comprising the Southwest quarter of Section 16, Township 26 South, Range 32 East. This pool was discovered by N. L. Fields, Ohio State No. 1, located in Unit K of Section 16, Township 26 South, Range 32 East. It was completed in the Delaware formation December 19, 1961. The top of the perforation is at 4,443 feet.

Q Do you have a recommendation concerning the creation of a new oil pool for Queen production?

A Yes, sir. I would recommend that the West McMillan Seven Rivers-Queen Pool be created comprising the Southeast quarter of Section 11, Township 20 South, Range 26 East. This pool was discovered by Hondo Oil & Gas Federal No. 1, located in Unit J, Section 11, Township 20 South, Range 26 East. The top of perforations was 525 feet.

Q Do you have a recommendation concerning the creating of a new oil pool for the Seven Rivers production?

A Yes, sir. I recommend that the Palmillo-Seven Rivers Pool be created, comprising the Northwest quarter of Section 18, Township 19 South, Range 29 East, Eddy County. This pool was discovered January 5, 1961, by the John Yates No. 2, located in



Unit D of said Section 18. It was completed in the Seven Rivers formation September 2, 1961. The top of perforation is 1,258 feet.

Q Do you have a recommendation concerning the creating of a new oil pool for Bone Springs production?

A Yes, sir. I would recommend that the Quail Ridge-Bone Springs Pool be created, comprising the Northwest quarter of Section 21, Township 19 South, Range 34 East. This pool was discovered by El Paso Natural Gas Company Mescalero No. 1 in Unit D of Section 21. It was completed in the Bone Spring formation October 17, 1961. The top of perforation is at 1,118 feet.

Q Do you have a recommendation concerning the creation of a new gas pool for Morrow production?

A Yes, sir. I would recommend the creation of the North Quail Ridge-Morrow Gas Pool, comprising the Northeast quarter of Section 7, Township 19 South, Range 34 East. This pool was discovered by El Paso Natural Gas Company's Mescalero Unit No. 1 in Unit G of Section 7, Township 19 South, Range 34 East. It was completed in the Morrow formation April 11, 1961, with the top of perforation at 13,160 feet.

Q Do you have a recommendation concerning the creating of a new gas pool for Pennsylvanian production?

A Yes, sir. I would recommend that the West Tonto-Pennsylvanian Gas Pool be created, comprising the Northwest quarter of Section 18, Township 19 South, Range 33 East, Lea

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County. This pool was discovered by Pan American Petroleum Company, Weston Well No. 1, Unit E of Section 18, Township 19 South, Range 33 East. It was completed in the Pennsylvanian formation April 3, 1960, with the top perforations at 13,325 feet.

Q Do you have a recommendation concerning the creation of a new oil pool for Pennsylvanian production?

A Yes, sir. I would recommend that the North Williams-Pennsylvanian Pool be created, comprising the Northwest quarter of Section 16, Township 13 South, Range 32 East, Lea County. This pool was discovered by Humble Oil & Refining Company's New Mexico State B Well No. 1, located in Unit C, Section 16, Township 13 South, Range 32 East. It was completed in the Pennsylvanian formation November 1, 1961, with the top of perforations at 11,050 feet.

Q Do you have a recommendation concerning a proposed change in name of the Greenwood-Wolfcamp Pool?

A Yes, sir. In order that the two pools in the same area be called by similar names, I would recommend that the Greenwood-Wolfcamp Pool, comprising the Northeast quarter of Section 27, Township 18 South, Range 31 East, be changed to the Shugart-Wolfcamp Pool, with the same horizontal and vertical figures.

Q Do you have a recommendation concerning the McMillan-Seven Rivers Pool?

A Yes, sir. I would recommend that the McMillan-Seven



Rivers Pool comprising certain acreage in Section 31 down to Section 32, Township 19 South, Range 27 East, be abolished inasmuch as it lies wholly within the boundaries of another pool with the same vertical limits, being the McMillan-Seven Rivers Queen pool.

Q Do you have a recommendation concerning the contracting of the Empire (Yates-Seven Rivers) Pool?

A I would recommend certain deletions in Sections 16, 17, 20, and 21 of Township 17 South, Range 28 East, within the boundaries of the Empire (Yates-Seven Rivers) Pool, as this acreage is non-productive.

Q Do you have a recommendation concerning the contracting of the Leo Queen-Grayburg Pool?

A I would recommend that certain acreage in Section 12, 13, 14, 16, 21, and 23, Township 18 South, Range 30 East, be deleted from the Leo Queen-Grayburg Pool, inasmuch as this acreage is non-productive.

Q Do you have a recommendation concerning the contracting of the Loco Hills-Queen Pool?

A Yes, sir. I would recommend that certain acreage in Township 17 South, Range 30 East, be deleted from the Loco Hills-Queen Pool.

Q Do you have a recommendation concerning the contracting of the Square Lake Grayburg-San Andres Pool?

A I would recommend that certain acreage in Section 9,



Township 17 South, Range 29 East, be deleted from the Square Lake Grayburg-San Andres Pool.

Q Mr. Nutter, with respect to the rest of your Exhibit No. 1, which proposes the extension of certain pools in Eddy, Lea and Roosevelt Counties, does your exhibit reflect your recommendation concerning the extension of those pools?

A Yes, sir, and the extensions are identical with the extensions noted in Paragraph "R" through "Z" and "aa" through "oo" of the Case as shown on the docket with two exceptions. The exceptions will be shown on the docket, except Paragraph "X" extending the Drinkard Pool. In addition to the East half of the Northwest quarter of Section 30, I would recommend that the Southeast quarter of the Southwest quarter of Section 19 be added to the Drinkard Pool. With respect to Paragraph "Y" in addition to the extension shown on the docket, of the South half of the Northeast quarter of Section 30, Township 17 South, Range 29 East, I would also recommend that the North half of the Southwest quarter of Section 29, Township 17 South, Range 29 East, be added to the Empire-Abo Pool.

Q Those additions are reflected upon your Exhibit No. 1?

A They are reflected upon the exhibit.

Q All these extensions are based upon the new wells in various pools?

A Yes, sir.

Q Do you have anything further you would like to offer?

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A No, sir.

MR. MORRIS: I offer Exhibit No. 1 in evidence in Case 2494. That completes my examination.

MR. PORTER: The exhibit will be admitted.

Does anyone have any questions of Mr. Nutter?

MR. KENDRICK: Mr. Nutter, in Paragraph "A", I believe you read into the record that it was Township 23 South, Range 34 West. Is that correct?

MR. NUTTER: You could use it, but we are going to keep it in the East; it is 34 East.

MR. PORTER: I believe you did say west. Mr. Nutter, what did you give as the top of perforations in Paragraph "H" for that discovery well?

MR. NUTTER: I don't know what I gave, but it says here 520 feet.

MR. PORTER: Do you think that is correct?

MR. NUTTER: I would recommend that the top of the perforation be as depicted in the order be the correct perforation, if other than 520 feet.

MR. PORTER: Does anyone have anything further with this witness?

He may be excused.

(Witness excused.)

We will take this case under advisement and take up Case No. 2495.

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