

CASE 5068

SOUTHEASTERN NOMENCLATURE

CASE No.

5068

Application,

Transcripts,

Small Exhibits

ETC.

dearnley, meier & associates

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6691, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87108

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6	IN THE MATTER OF:) Case No. 5068
7	The Southeastern nomenclature)
8	case calling for the creation)
9	and extension of the vertical)
10	and horizontal limits of certain)
11	pools in Lea County, New Mexico)
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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
September 19, 1973

EXAMINER HEARING

IN THE MATTER OF:) Case No. 5068
The Southeastern nomenclature)
case calling for the creation)
and extension of the vertical)
and horizontal limits of certain)
pools in Lea County, New Mexico)
)

BEFORE: ELVIS A. UTZ, Examiner

TRANSCRIPT OF HEARING

1	<u>INDEX</u>		
2	<u>WITNESS</u>	<u>DIRECT</u>	<u>CROSS</u>
3	<u>DANIEL NUTTER</u>		
4	(By Mr. Derryberry)	3	
5	(By Mr. Christy)		7
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1 MR. UTZ: We'll call the nomenclature case next
2 since there's some people involved in this case. We'll call
3 Case 5068, the nomenclature case.

4 MR. DERRYBERRY: Southeastern nomenclature case
5 calling for the creation and extension of the vertical and
6 horizontal limits of certain pools in Lea County, New Mexico.

7 DANIEL NUTTER,

8 a witness, having been first duly sworn according
9 to law, upon his oath testified as follows:

10 DIRECT EXAMINATION

11 BY MR. DERRYBERRY:

12 Q Will you state your name, please?

13 A Dan Nutter, Chief Examiner for the New Mexico Oil
14 Conservation Commission.

15 Q Are you prepared to make recommendations to the Commission
16 concerning the nomenclature of certain pools in Lea
17 County, New Mexico?

18 A Yes, I am.

19 Q Are your recommendations prepared in the form of an
20 exhibit?

21 A Yes, they are.

22 Q Will you please refer to this exhibit and to the docket
23 that's been prepared and distributed at this hearing and
24 point out any substantial differences between the two?

25 A Yes, sir, I will. We have prepared what is identified

1 as OCC Exhibit No. 1 in Case 5068. This is an
2 exhibit consisting of five sheets. The first sheet is
3 identified as 5068(a). It calls for the creation of
4 the Townsend-Strawn Pool, comprising the southwest
5 quarter of Section 4, Township 16 South, Range 35 East.
6 This pool was discovered by Ralph E. and J. C. Williamson
7 Harrod, that's H-a-r-r-o-d, State Well Number 1 located
8 in Unit E of Section 4. The well was completed May the
9 20th, 1973 through perforations from 11,325 feet to
10 11,535 feet. The pool would be an oil pool and the
11 vertical limits would comprise the Strawn formation.

12 MR. UTZ: Mr. Nutter, did you say Unit E?

13 THE WITNESS: Unit U.

14 A The next page of the exhibit in this case is identified
15 as 5068(b). It is a copy of the log of the Humble Oil
16 and Refining Company State S Well Number 20, located in
17 Section 2, Township 22 South, Range 37 East, Lea County.
18 On the log of this well, the Tubb marker is identified
19 as being the top of the Tubb at 5121 feet. The vertical
20 limits of the Tubb Pool as presently defined by the
21 Commission extend from the Tubb marker in this type log,
22 being the State S Well Number 20, the vertical limits
23 being from 100 feet above the Tubb marker to 225 feet
24 below the Tubb marker. The top of the Drinkard in this
25 well is identified on the exhibit as being at 7248 feet.

1 This leaves an interval from 6146 feet to 6248 feet
2 which is a no man's land. There are wells perforated
3 in this area, some coming from the Tubb formation
4 downward and a few coming from the Drinkard formation
5 upward. I would recommend that the vertical limits of
6 the Tubb Gas Pool be extended from the present lower
7 limit down to the top of the Drinkard formation. This
8 would make the vertical limits of the Tubb Gas Pool be
9 defined as being from 100 feet above the Tubb marker in
10 the key well to the top of the Drinkard formation in
11 the key well. I would further recommend that in order
12 to accommodate certain ^{few} fuel wells which have perforations
13 coming from the Drinkard formation, from the Drinkard
14 Pool up into the very lowermost portion of the Tubb Gas
15 Pool as it would be redefined. That provision be made
16 and might have approval by the Secretary Director of
17 those wells, the bulk of which perforation and production
18 comes from the Drinkard Pool but extend into the Tubb
19 Pool, that those wells would be made legitimate Drinkard
20 wells although some of the perforation would be in the
21 Tubb Pool. This would be only in the case where the
22 bulk of perforation is in the Drinkard formation.

23 Q This would be on a well-to-well basis?

24 A Yes, sir, well-to-well basis.

25 Moving to Paragraph (c) of Case No. 5068. This is

dearnley, meier & associates

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1 an extension of the Bell Lake-Pennsylvanian Gas Pool
2 to include the northwest quarter of Section 6, Township
3 24 South, Range 34 East. It is shown on the docket in
4 the hearing today.

5 Paragraph (d) of this exhibit is for the extension
6 of the Querecho Plains-Queen Oil Pool and would include
7 the southwest quarter of Section 23, and the west half of
8 Section 26, Township 18 South, Range 32 East and is as
9 shown on the docket.

10 Paragraph (e) is for the extension of the Wantz-
11 Granite Wash Pool in Lea County, calling for the extension
12 of the pool to include the northeast quarter of Section
13 24, Township 22 South, Range 37 East. We would also
14 extend the pool in addition to that which is shown on
15 the docket to include the north half of Section 23 of the
16 same township, to include the John H. Hendrix Cossatot F
17 Well Number 3 located in Unit D of Section 23. This well
18 was completed in the Granite Wash on September 30, 1963
19 with the top of perforations at 7106.

20 Q Do you have anything further to add in your testimony?

21 A No, sir.

22 MR. DERRYBERRY: Mr. Examiner, I move that
23 Commission Exhibits 5068(a), (b), (c), (d) and (e) be
24 entered in this record.

25 MR. UTZ: Without objection, Exhibits (a) through

1 (e) will be entered into the record of this case.

2 Questions of the witness?

3 MR. CHRISTY: May I inquire a question, too, please,
4 sir?

5 CROSS-EXAMINATION

6 BY MR. CHRISTY:

7 Q Mr. Nutter, you mentioned what the present limits of the
8 Tubb Pool are vertically. What were they in May of 1970,
9 or were they the same?

10 A Yes, sir. They were the same. These limits were
11 established by Order No. R-464, back around 1954 I believe
12 it was. So the vertical limits have been the same for
13 many years.

14 Q I see. Now, by changing the vertical limits of the Tubb
15 Pool, I assume you're not trying to determine legal
16 rights between parties that may own various ownerships
17 within this new Tubb Pool area?

18 A No, sir. The Commission would not attempt to do that.
19 What we are trying to do is permit the designation of
20 wells that are completed at the present time in this
21 no man's land and permit them to be included in a pool.
22 Now, obviously we can go one of three ways. We can
23 create a new pool in this little limited 100-foot
24 interval or we can extend the Tubb Gas Pool downward
25 or extend the Drinkard Pool upward. If we create a new

pool

well, it's not going to be economically feasible to multiply complete wells with packers and other types of equipment through here. If we go up from the Drinkard formation, gas that's discovered in that interval would be casing head gas in the Drinkard pool. If we go downward from the Tubb Pool, gas that's produced from this interval will be Tubb Gas Pool gas and I believe that it enhances the attractiveness of completing in this area if it is called Tubb Gas Pool gas rather than describing that as something else.

Q And that's your recommendation to the Commission?

A Yes, sir.

Q Now, I assume that if more than one well is completed in this new ^{Tubb pool} sub-pool on the same 160 acres, that they will have some type of ^{sharing} shearing of the Tubb Gas?

A Yes, sir.

Q Am I understanding that you mean we may have a well that's completed in the Tubb Pool as presently defined and another well that would be completed in the extension of the Tubb Pool being recommended here today, those would be treated as one well in the Tubb Gas Pool as far as allowable is concerned in sharing the allowable?

A Yes, sir.

MR. CHRISTY: Thank you very much.

MR. UTZ: Other questions?

dearnley, meier & associates

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(No response.)

MR. UTZ: Witness may be excused. Statements in
the case?

(No response.)

MR. UTZ: No statements, the case will be taken
under advisement.

-ooo-

1 STATE OF NEW MEXICO)
2) SS
3 COUNTY OF BERNALILLO)

4 I, CLAUDIA FAHRENTHOLD, a court reporter in and for
5 the County of Bernalillo, State of New Mexico, do hereby
6 certify that the foregoing and attached Transcript of
7 Hearing before the New Mexico Oil Conservation Commission
8 was reported by me; and that the same is a true and correct
9 record of the said proceedings to the best of my knowledge,
10 skill and ability.

11 Claudia Fahrenthold
12 COURT REPORTER

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21
22 I do hereby certify that the foregoing is
23 a correct record of the proceedings in
24 the Public Hearing of Case No. 5768
25 heard by me on Sept. 11, 1973.
Examiner
New Mexico Oil Conservation Commission

JAMES T. JENNINGS
SIM B. CHRISTY IV
ROGER L. COPPLE
BRIAN W. COPPLE
ROBERT G. ARMSTRONG

LAW OFFICES OF
JENNINGS, CHRISTY & COPPLE
1012 SECURITY NATIONAL BANK BUILDING
P. O. BOX 1180
ROSWELL, NEW MEXICO 88201

TELEPHONE 622-8432
AREA CODE 505

November 14, 1973

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Daniel S. Nutter

Re: Case 5068(b)

Gentlemen:

You will remember that the captioned cause was heard September 19, 1973. To date we have not heard as to the outcome, and if and when an order has been issued, we would appreciate receiving a copy.

Respectfully,

JENNINGS, CHRISTY & COPPLE

By

S. B. Christy IV
S. B. Christy IV

SBC:pv

*copy of P 2 of
Order R-4635
sent 11/15/73
C. W. M.*

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 19, 1973

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 4745: (Reopened) (Continued from the August 22, 1973, Examiner Hearing)

In the matter of Case No. 4745 being reopened pursuant to the provisions of Order No. R-4365, which order established special rules and regulations for the Penasco Draw San Andres-Yeso Pool, Eddy County, New Mexico, including a provision for classification of oil wells and gas wells, the spacing thereof, and a limiting gas-oil ratio of 3000 to 1. All interested parties may appear and show cause why said pool rules should remain in effect.

CASE 5047: (Continued and Readvertised)

Application of Chace Oil Company for the amendment of Order No. R-4555, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the special rules and regulations for the South Lindrith Gallup-Dakota Pool, Rio Arriba County, New Mexico, as promulgated by Order No. R-4555, to provide for the classification of oil wells and gas wells, the assignment of 320-acre units to gas wells, and to provide for approval of unorthodox locations for wells drilled as oil wells but classified as gas wells upon completion.

CASE 5063: Application of Shell Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its Sanger Well No. 6Y to be located 1220 feet from the North line and 180 feet from the West line of Section 27, Township 18 South, Range 38 East, Hobbs Pool, Lea County, New Mexico.

CASE 5064: Application of Exxon Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its South Carlsbad 2 Gas Com. Well No. 1 located in Unit J of Section 27, Township 23 South, Range 26 East, Eddy County, New Mexico, to produce gas from the South Carlsbad-Strawn and South Carlsbad-Morrow Gas Pools through the casing-tubing annulus and tubing, respectively.

CASE 5065: Application of Roberts, Koch & Cartwright for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Deer Canyon Unit Area comprising 10,620 acres, more or less, of Federal and State lands in Township 20 South, Range 21 East, Eddy County, New Mexico.

CASE 5057: (Continued and readvertised)

Application of Coquina Oil Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a proposed gas well at an unorthodox location 330 feet from the South and East lines of Section 12, Township 18 South, Range 25 East, West Atoka-Morrow Gas Pool, Eddy County, New Mexico, the S/2 of Section 12 to be dedicated to the well. In the alternative, applicant seeks approval of an unorthodox location 660 feet from the South and East lines of said Section 12.

CASE 5066: Application of Burleson & Huff for a non-standard gas proration unit and compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the NE/4 of Section 29, Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to its Coll Well No. 1-A located in Unit G of said Section 29.

Applicant further seeks an order of the Commission pooling all mineral interests in the Jalmat Gas Pool underlying the aforesaid quarter section. Also to be considered will be the cost of recompleting said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in recompleting said well.

CASE 5067: Application of American Quasar Petroleum Co. of New Mexico for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Dune Unit Area comprising 2,576 acres, more or less, of Federal and Fee lands in Township 23 South, Range 31 East, and Township 24 South, Ranges 30 and 31 East, Lea County, New Mexico.

CASE 5068: Southeastern nomenclature case calling for the creation and extension of the vertical and horizontal limits of certain pools in Lea County, New Mexico:

(a) Create a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the Townsend-Strawn Pool, with special vertical limits defined as being the Strawn formation from 11,325 feet to 11,535 feet as on the log of the discovery well, the Ralph E. & J. C. Williamson Harrod State No. 1 in Unit U of Section 4, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: SW/4

(b) Extend the vertical limits of the Tubb Gas Pool in Lea County, New Mexico, as established by Rule 25 of the Special Rules for said pool as promulgated by Order No. R-1670, downward to include the entire interval from 100 feet above the Tubb marker to the top of the

6245
6145
100

Examiner Hearing - Wednesday - September 19, 1973

Docket No. 26-73

-3-

(Case 5068 continued from Page 2)

Drinkard formation, in order to eliminate the zone of no-nomenclature which exists between the Tubb and Drinkard Pools.

(c) Extend the Bell Lake-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 6: NW/4

(d) Extend the Querecho Plains-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 23: SW/4
Section 26: W/2

(e) Extend the Wantz-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 24: NE/4

✓ 23 N/2 D-25

S 068 A-E

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. 5068
Order No. R-4635

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on September 19, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 28th day of September, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Strawn formation, said pool to bear the designation of Townsend-Strawn Pool. Said Townsend-Strawn Pool was discovered by the Ralph E. & J. C. Williamson Harrod State No. 1, located in Unit U of Section 4, Township 16 South, Range 35 East, NMPM. It was completed in the Strawn formation on May 20, 1973. The top of the perforations is at 11,335 feet.

(3) That there is need for the downward extension of the vertical limits of the Tubb Gas Pool in Lea County, New Mexico, as established by Rule 25 of the Special Rules for said pool as promulgated by Order No. R-1670, to the top of the Drinkard formation; that an administrative procedure should be adopted whereby Drinkard wells with short intervals of perforations in the Tubb Gas Pool, as extended, may be approved.

(4) That there is need for certain extensions to the Bell Lake-Pennsylvanian Gas Pool, the Querecho Plains-Queen Pool, and the Wantz-Granite Wash Pool, all in Lea County, New Mexico.

-2-

Case No. 5068
Order No. R-4635

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production, is hereby created and designated as the Townsend-Strawn Pool, consisting of the following described area:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: SW/4

(b) That Rule 25 of the Special Rules for the Tubb Gas Pool as promulgated by Order No. R-1670 is hereby amended to read in its entirety as follows:

"RULE 25. The vertical limits of the Tubb Gas Pool shall extend from a point 100 feet above the "Tubb Marker," said marker being found at a depth of 5921 feet (Elev. 3380', Subsea Datum, -2541') on the log of the Humble Oil & Refining Company State "S" Well No. 20, located in Unit E of Section 2, Township 22 South, Range 37 East, NMPM, to the top of the Drinkard formation, said top being found at a depth of 6250 feet on said log. Provided however, that the District Supervisor of the Hobbs office of the Commission shall have authority to grant a letter of approval for any well completed in the Drinkard Pool, the majority of perforations of which are in the Drinkard formation below said depth of 6250 feet, if a short interval of perforations (not more than 35 feet) in said well extends upward from the Drinkard Pool into the lowermost portion of the Tubb Gas Pool as defined herein. To obtain such letter of approval, the operator of a well so completed in both the Drinkard and lowermost Tubb Pools shall request same in writing, describing the perforated interval(s), the circumstances surrounding such completion, and the approximate productivity of the various major perforated intervals. A copy of the request shall be furnished to offset operators to the subject well. The District Supervisor, in the absence of objection and if he deems same prudent, may issue the letter of approval. Otherwise, the matter will be set for hearing if the applicant so requests."

(c) That the Bell Lake-Pennsylvanian Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 6: NW/4

-3-

Case No. 5068

Order No. R 4635

(d) That the Querecho Plains-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM

Section 23: SW/4

Section 26: W/2

(e) That the Wantz-Granite Wash Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Section 23: N/2

Section 24: NE/4

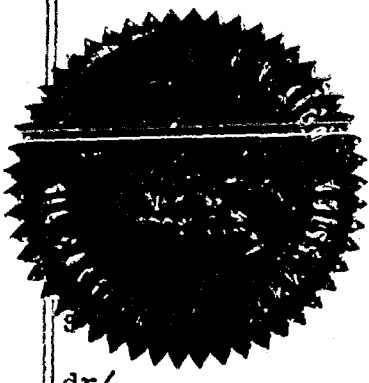
IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations and extensions of vertical and horizontal limits included herein shall be October 1, 1973.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMISTO, Member

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

dr/

NOMENCLATURE ADVERTISEMENT FOR SEPTEMBER, 1973

CASE 5068

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 a new pool in Lea County, New Mexico, and the extension of vertical and horizontal limits of certain existing 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 creations and extensions should not be made.

a) CREATE A new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the Townsend-Strawn Pool, with special vertical limits defined as being the Strawn formation from 11,325 feet to 11,535 feet as ~~on the~~ ^{on the} log of the discovery well, the ~~well log~~ ^{log} Ralph E. & J. C. Williamson Harrod State No. 1 in Unit U of Section 4, Township 16 South, Range 35 East, NMPM. ~~The discovery well is Ralph E. & J. C. Williamson, Harrod State No. 1 located in Unit U of Section 4, Township 16 South, Range 35 East, NMPM.~~ Said pool ~~described as~~ ^{would comprise:}

✓ TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
SECTION 4: SW/4

b) EXTEND the vertical limits of the Tubb Gas Pool in Lea County, New Mexico, ^{downward} to include the entire interval from 100 feet above the Tubb marker to the top of the Drinkard formation, in order to eliminate the zone of no-nomenclature which exists between the Tubb and Drinkard Pools.

c) EXTEND the Bell Lake-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
SECTION 6: NW/4

d) EXTEND the Querecho Plains-Queen Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
SECTION 23: SW/4
SECTION 26: W/2

e) EXTEND the Wantz-Granite Wash Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 24: NE/4

*as established by Rule 25 of the Special Rules
for said pool as promulgated by Order No R-1670,
downward*

*Please check with
Hear before typing nomenclature.*

MC

Case 5068 (1) Creation of a new Oil Pool

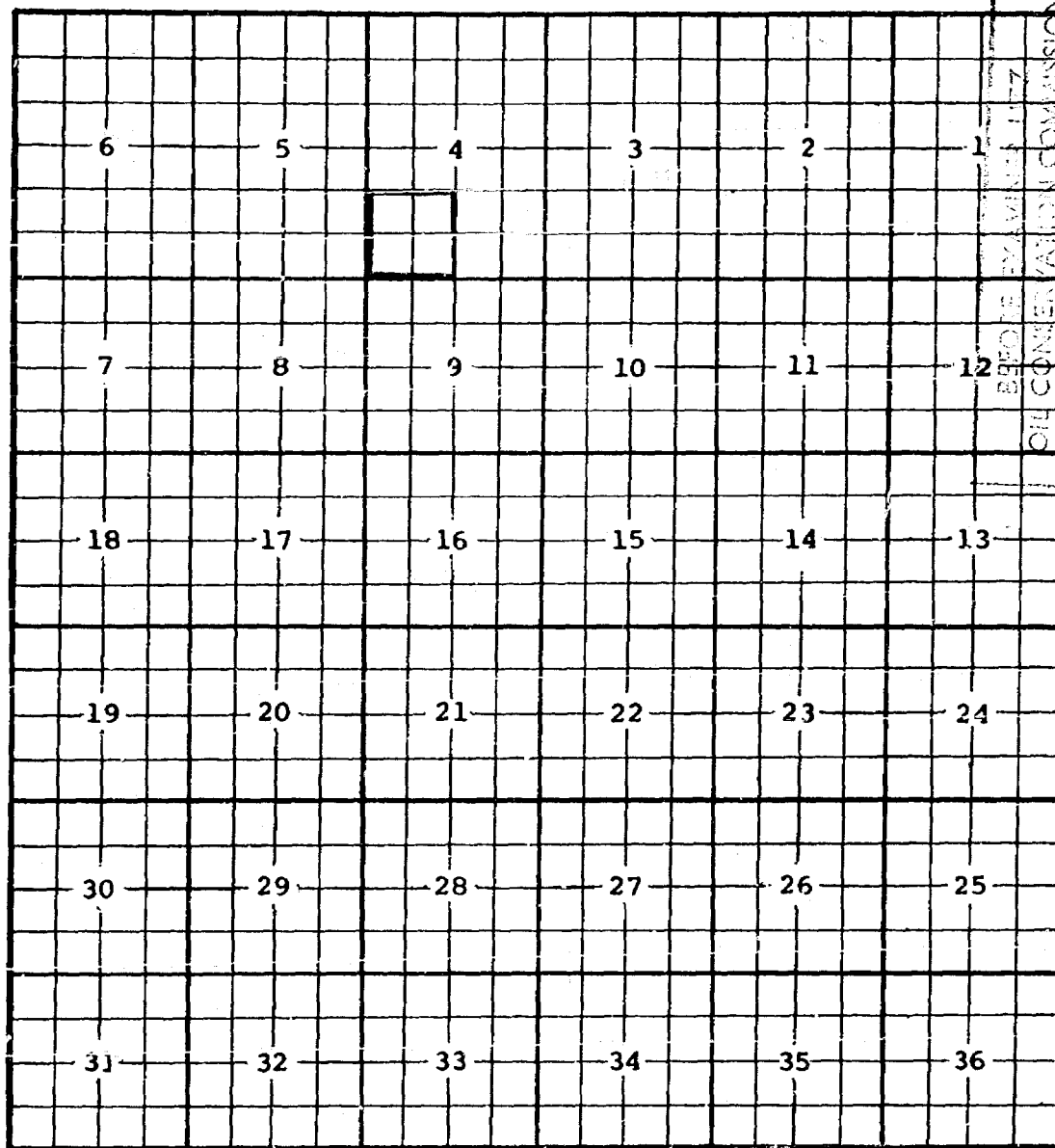
COUNTY Lea

POOL Townsend - Strawn

TOWNSHIP 16 South

RANGE 35 East

NMPM



Purpose: One completed oil well capable of producing.

Discovery well: Ralph F. & J.C. Williamson Harred State #1 U,
Sec. 4, T16S, R35E, completed 5-20-73 through perforations
from 11,335 - 385'

Proposed pool boundary outlined in red.

Section 4: SW/4

Case 5068 - (a) Creation of a new Oil Pool

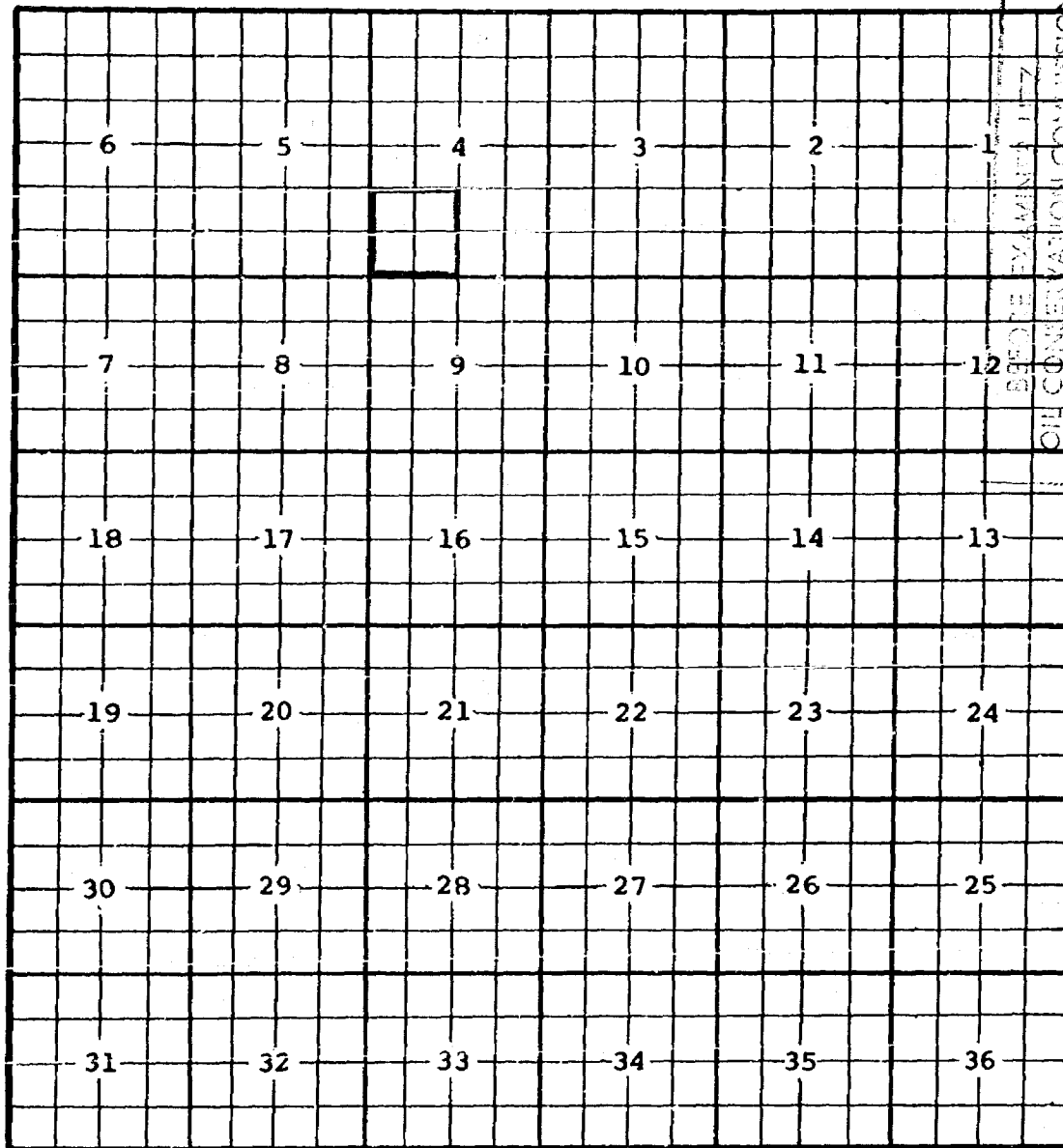
COUNTY Lea

POOL Townsend - Strawn

TOWNSHIP 16 South

RANGE 35 East

NMPM



OIL CONSERVATION COMMISSION

EXHIBIT NO. 1

CASE NO. 5068

Submitted by: OCC Staff 1

Hearing Date: 9/19/73

Purpose: One completed oil well capable of producing.

Discovery well: Ralph E & J.C. Williamson Harrod State #1 V,
Sec. 4, T16S, R35E, completed 5-20-73 through perforations
from 11,335 - 385'.

Proposed pool boundary outlined in red.

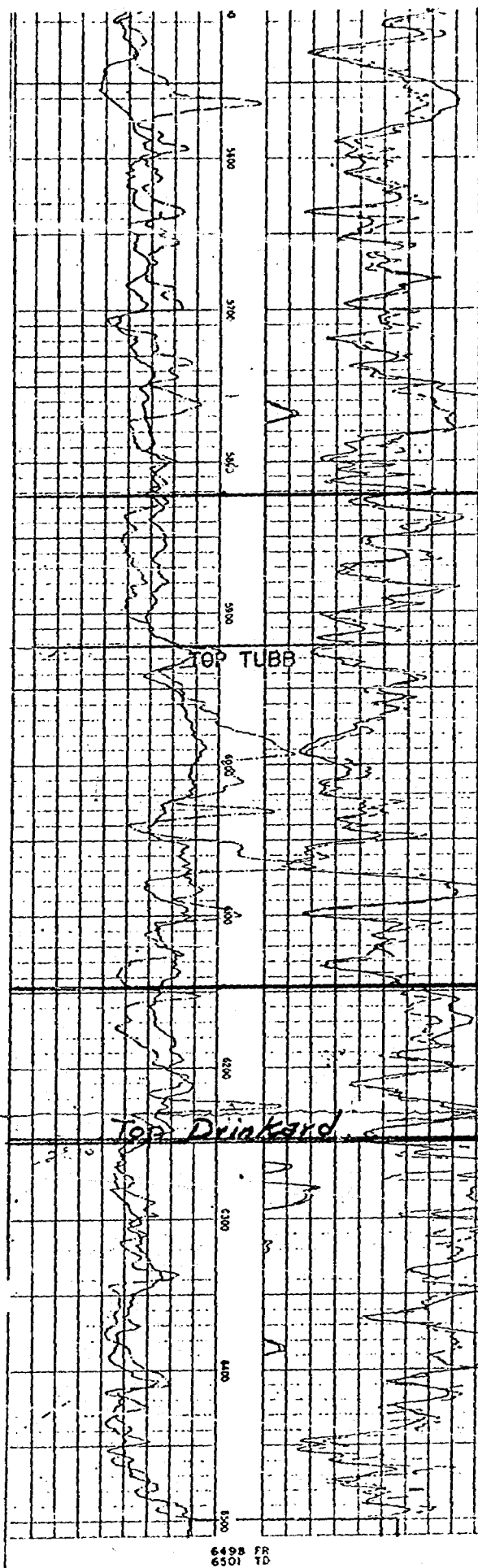
Section 4: SW/4

Case 5068(b) Extend vert.
: lmts of Tubb Gas Pool

Reproduced By
West Texas Electrical Log Service
1205 Commerce Street
Dallas 1, Texas

REFERENCE N° 811 -D

S C H L U M B E R G E R					
WELL SURVEYING CORPORATION					
Location of Well		COMPANY, SINGLE OIL & REFINING		COUNTY, LJA	
2100' FTL & 500' FTL ENC. 2 222-279		WELL, STATE 3 320		FIELD OR RESEARCH WELL, STATE 3 320	
Previous D.P. 3380		FIELD, LATERAL		LOCATION, ENC. 2 222-378	
K.S.		COUNTY, LJA		STATE, NEW MEXICO	
W.G.L.		FLUNG No.			
RUN NO.	I				
Date	5-10-60				
First Reading	669.669				
Last Reading	2508				
Footage Measured	3578 669.669				
Cog Shoe Schum	2508				
Cog Shoe Driller	2508				
Max. Depth Reached	669.669				
Sonnet Driller	669.669				
Depth Datum	1' above RT				
Mud Nature	Cometite 20				
Density	9.8				
Viscosity	30				
Sensitivity	100 @ 80.0"				
Resistivity MFT					
pH					
Water Loss	CC 30 Min	CC 30 Min	CC 30 Min	CC 30 Min	CC 30 Min
Maximum Temp. °F	135				
Bit Size	6 3/4"				
Speeds - RPM	100				
A	100				
E.S. Rig Time	8 hours				
Truck No.	279				
Recorded By	Cargill				
Witnessed By					
REMARKS					
NO. 13					
RIR. 2.2					
Spontaneous-Potential millivolts		DEPTH	Resistivity ohms m/m.		
-130 +			NORMAL		
			0 75 150		
RADIOACTIVITY INCREASES —————→			LATERAL		
			0 75		



5921

2248

CASE 5068: (b) EXTENSION OF VERTICAL LIMITS OF AN EXISTING GAS POOL (Continued on next page)

COUNTY	LEA	POOL	TUBE	GAS	
TOWNSHIP	21 South	RANGE	37 East	NMPM	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: Extend vertical limits downward to include the entire interval from 100 feet above the Tubb marker to the top of the Drinkard formation, in order to eliminate the zone of no-nomenclature which exists between the Tubb and Drinkard Pools. Pool boundary colored in red.

CASE 5068: (b) EXTENSION OF VERTICAL LIMITS OF AN EXISTING GAS POOL (Continued on next page)

COUNTY	LEA	POOL	TUBB GAS		
TOWNSHIP	22 South	RANGE	37 East	NMPM	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: As stated on preceding page, paragraph (b), Exhibit I.
Pool boundary colored in red.

CASE 5068: (b) EXTENSION OF VERTICAL LIMITS OF AN EXISTING GAS POOL (Continued on next page)

TOWNSHIP	22 South	RANGE	38 East	NMFM	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: As stated on preceding page, paragraph (b), Exhibit I.

Pool boundary colored in red.

CASE 5068: (b) EXTENSION OF VERTICAL LIMITS OF AN EXISTING GAS POOL (Continued)

COUNTY	LEA	POOL	TUBB GAS		
TOWNSHIP	23 South	RANGE	38 East	NMPM	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: As stated on preceding page, paragraph (b), Exhibit I.

Pool boundary colored in red.

Case 5068: (c) Extension of an existing gas pool.

COUNTY Lea POOL Bell Lake -- Pennsylvanian Gas

TOWNSHIP 24 South RANGE 34 East NMPM

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

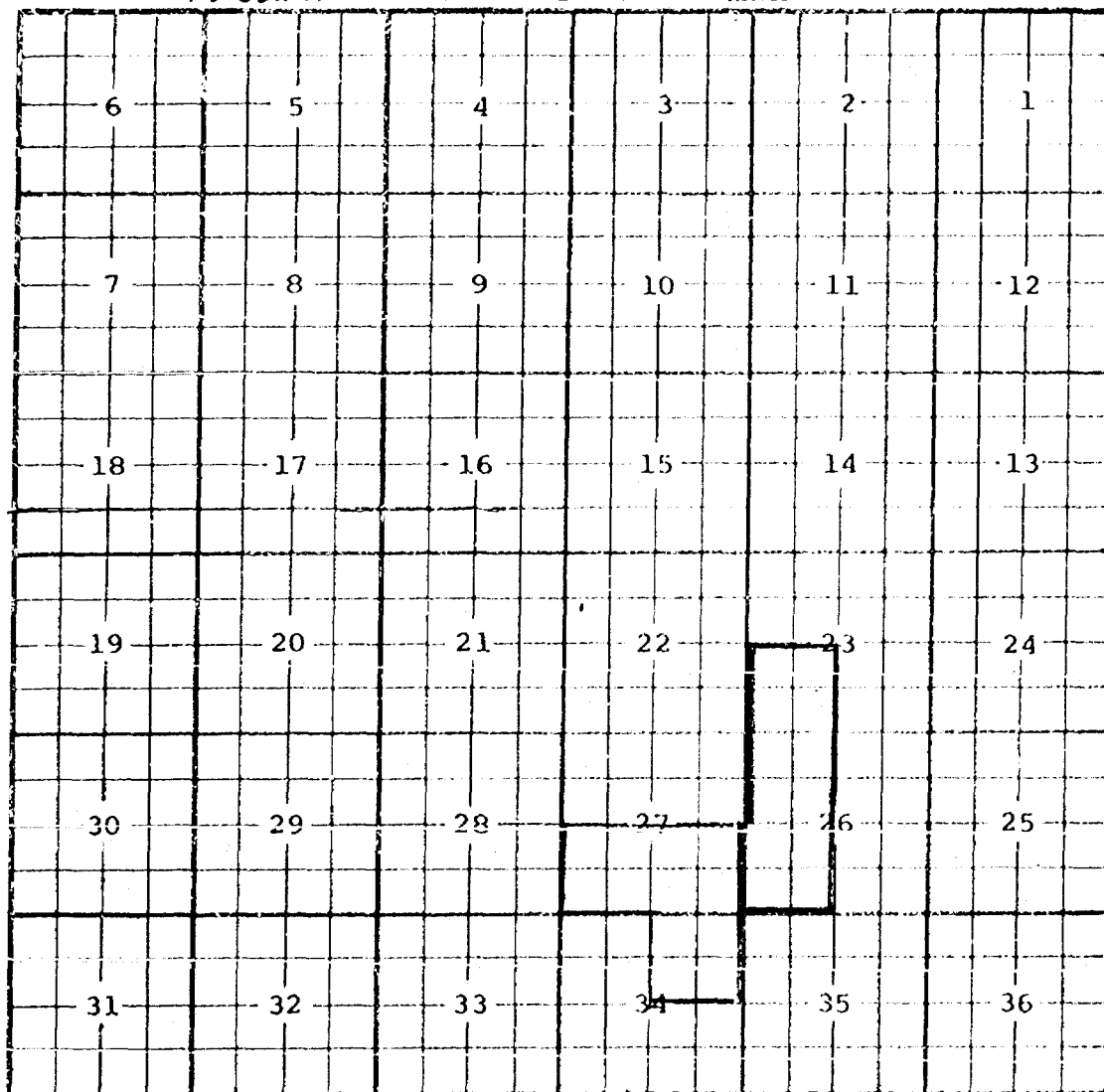
Purpose: One completed gas well capable of producing
Continental Oil Company Bell Lake Unit 1 #4
in Unit F of Section 6, T24S, R34E. Completed in the
Pennsylvanian on July 6, 1973. Top of perforations 12,450'.
Pool boundary colored in red.
Proposed extension colored in green.

Section 6: NW/4

Cuse 5068: (d) Extension of an existing oil pool.

COUNTY Lea POOL Querecho Plains - Queen

TOWNSHIP 18 South RANGE 32 East NMIM



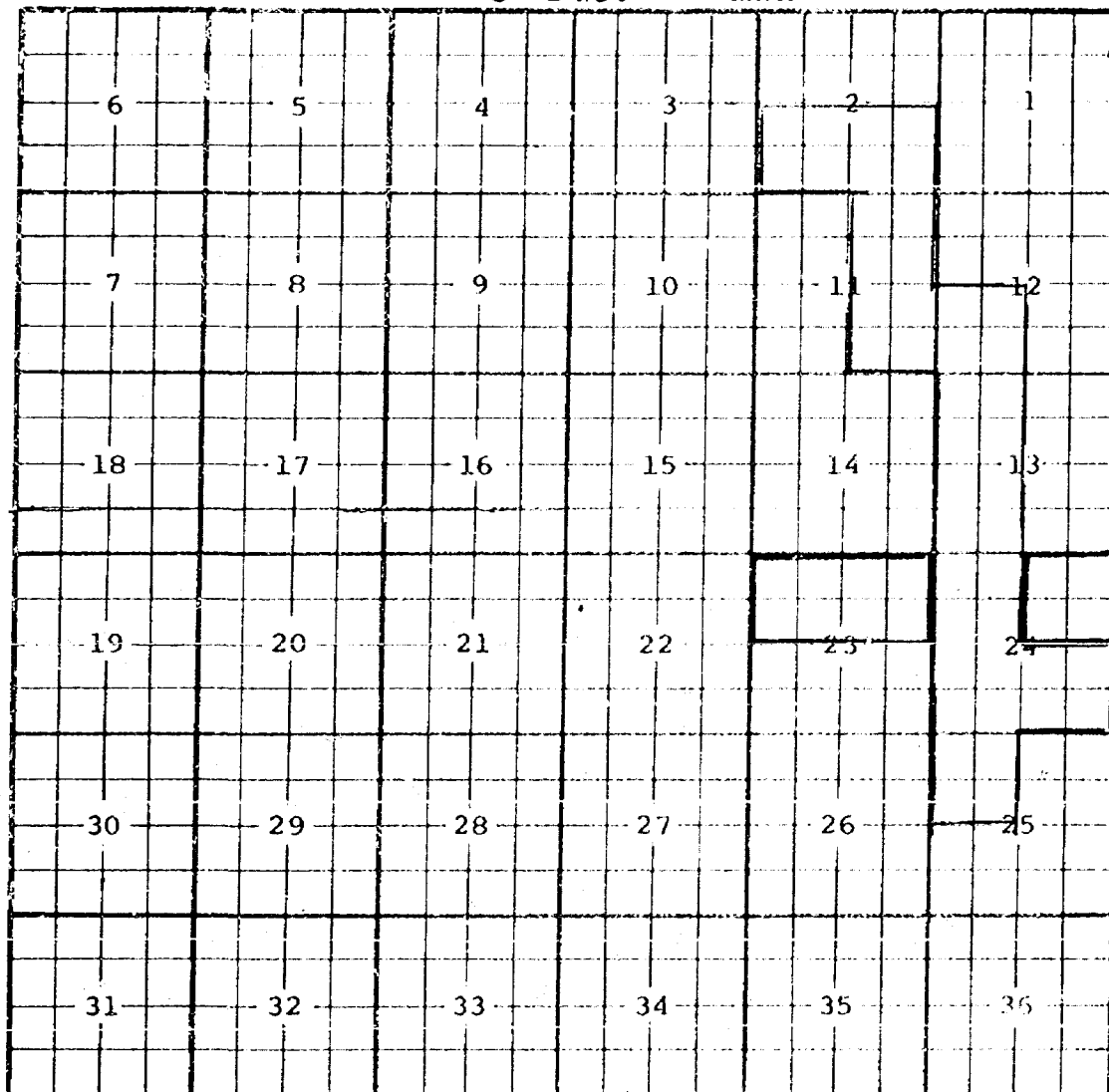
Purpose: One completed oil well capable of producing.
John H. Hill - Marshall Federal #1 in Unit N of
Section 23 - 18 - 32. Completed in Queen on July 13, 1973.
Top of perforations 4,176'.
Pool boundary colored in red.
Proposed extension colored in green.

Section 23: SW/4
Section 26: W/2

Case 5068: (e) Extension of an existing oil pool.

COUNTY Lea POOL Wantz - Granite Wash

TOWNSHIP 22 South RANGE 37 East NMIM



Purpose: Two completed wells capable of producing.
John H. Hendrix - Cossatot "J" #1 in Unit B of
Section 24 - 22 - 37. Completed in Granite Wash on
July 20, 1973. Top of perforations 7214'
John H. Hendrix - Cossatot "F" #3 in Unit D of
Section 23 - 22 - 37. Completed in Granite Wash on
September 3, 1973. Top of perforations 7106'

Section 24: NE/4

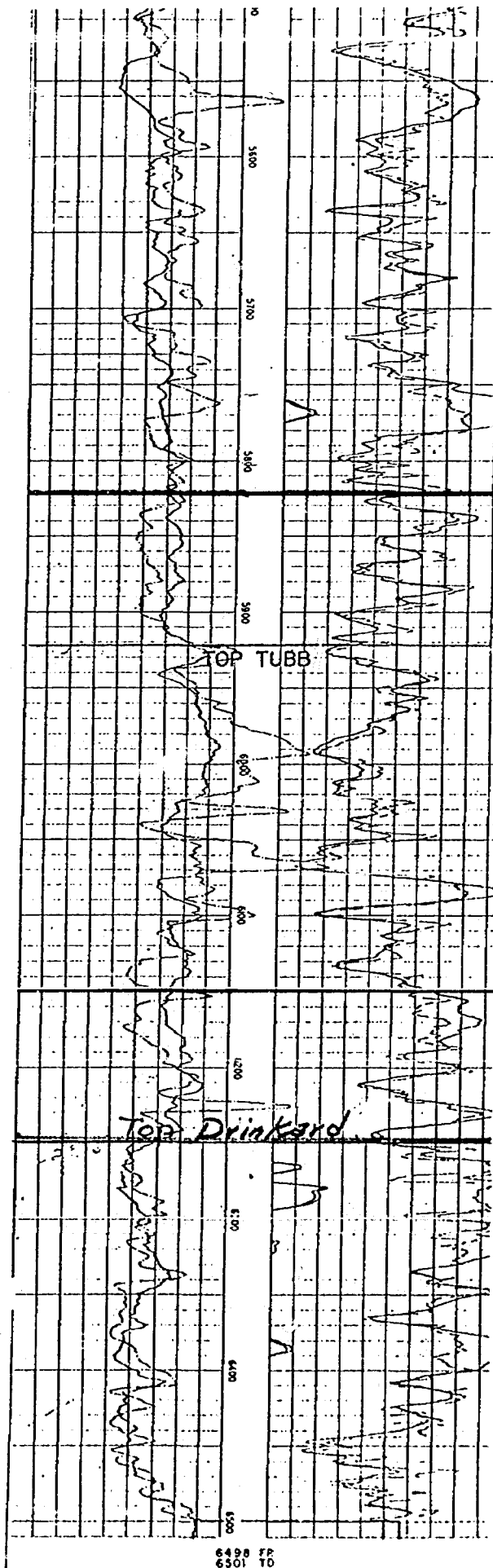
Addition: Section 23: N/2

Case 5068 (b) Extended vert lmts of Table Gas Pool

Reproduced By
West Texas Electrical Log Service
1305 Commerce Street
Dallas 1, Texas

REFERENCE NO 811 -D

SCHLUMBERGER					
Location of Well		COMPANY: BROWN OIL & REFINING		COUNTY: DALLAS	
2100' FRL & 500' FRL SEC. 2 223-378		WELL: STATE 5 #20		FIELD: DRAINAGE	
Borehole: D.A. 3380		LOCATION: SEC. 2 223-378		COUNTY: DALLAS	
K.R.		STATE: NEW YORK		FILING No.	
G.L.					
RUN NO.	1	2	3	4	5
Date	5-19-49				
First Reading	6499 6498				
Last Reading	2504 0				
Tool Joint	3598 6498				
Cip Shoe Sclm	2504				
Cip Shoe Offset	2504				
Max Depth Reached	6497				
Bottom Driller	6497				
Depth Datum	1' above RT				
Mud Nature	Oilfield 20				
Density	9.8				
Viscosity	35				
Resistivity	10 @ 80" 7				
Resistivity BMT	7				
pH	7				
Water Loss	CC 30 Min	CC 30 Min	CC 30 Min	CC 30 Min	CC 30 Min
Maximum Temp. °F	135				
Log Size	6 3/4				
Spooling - AM	10				
AO	20				
E.S. Log Time	8 hours				
Truck No	279				
Recorded By	Cargill				
Witnessed By					
REMARKS					
Wt = 13					
RFR = 2.2					
Spontaneous-Potential millivolts		DEPTHS	Resistivity ohms m ² /m.		
- 30 +			NORMAL		
			75		
			150		
			LATERAL		
			75		
RADIOACTIVITY INCREASES →					



5421

6498 FF
6501 TO

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. 5068
Order No. R-4635

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on September 19, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 28th day of September, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Strawn formation, said pool to bear the designation of Townsend-Strawn Pool. Said Townsend-Strawn Pool was discovered by the Ralph E. & J. C. Williamson Harrod State No. 1, located in Unit U of Section 4, Township 16 South, Range 35 East, NMPM. It was completed in the Strawn formation on May 20, 1973. The top of the perforations is at 11,335 feet.

(3) That there is need for the downward extension of the vertical limits of the Tubb Gas Pool in Lea County, New Mexico, as established by Rule 25 of the Special Rules for said pool as promulgated by Order No. R-1670, to the top of the Drinkard formation; that an administrative procedure should be adopted whereby Drinkard wells with short intervals of perforations in the Tubb Gas Pool, as extended, may be approved.

(4) That there is need for certain extensions to the Bell Lake-Pennsylvanian Gas Pool, the Querecho Plains-Queen Pool, and the Wantz-Granite Wash Pool, all in Lea County, New Mexico.

Drinkard formation, in order to eliminate the zone of no-nomenclature which exists between the Tubb and Drinkard Pools.

(c) Extend the Bell Lake-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 6: NW/4

(d) Extend the Querecho Plains-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 23: SW/4
Section 26: W/2

(e) Extend the Wantz-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 24: NE/4

ADDITION-----SECTION 23: N/2

CASE 5068: Southeastern nomenclature case calling for the creation and extension of the vertical and horizontal limits of certain pools in Lea County, New Mexico:

(a) Create a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the Townsend-Strawn Pool, with special vertical limits defined as being the Strawn formation from 11,325 feet to 11,535 feet as on the log of the discovery well, the Ralph E. & J. C. Williamson Harrod State No. 1 in Unit U of Section 4, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: SW/4

(b) Extend the vertical limits of the Tubb Gas Pool in Lea County, New Mexico, as established by Rule 25 of the Special Rules for said pool as promulgated by Order No. R-1670, downward to include the entire interval from 100 feet above the Tubb marker to the top of the

-2-

Case No. 5068

Order No. R-4635

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production, is hereby created and designated as the Townsend-Strawn Pool, consisting of the following described area:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: SW/4

(b) That Rule 25 of the Special Rules for the Tubb Gas Pool as promulgated by Order No. R-1670 is hereby amended to read in its entirety as follows:

Done

"RULE 25. The vertical limits of the Tubb Gas Pool shall extend from a point 100 feet above the "Tubb Marker," said marker being found at a depth of 5921 feet (Elev. 3380', Subsea Datum -2541') on the log of the Humble Oil & Refining Company State "S" Well No. 20, located in Unit E of Section 2, Township 22 South, Range 37 East, NMPM, to the top of the Drinkard formation, said top being found at a depth of 6250 feet on said log. Provided however, that the District Supervisor of the Hobbs office of the Commission shall have authority to grant a letter of approval for any well completed in the Drinkard Pool, the majority of perforations of which are in the Drinkard formation below said depth of 6250 feet, if a short interval of perforations (not more than 35 feet) in said well extends upward from the Drinkard Pool into the lowermost portion of the Tubb Gas Pool as defined herein. To obtain such letter of approval, the operator of a well so completed in both the Drinkard and lowermost Tubb Pools shall request same in writing, describing the perforated interval(s), the circumstances surrounding such completion, and the approximate productivity of the various major perforated intervals. A copy of the request shall be furnished to offset operators to the subject well. The District Supervisor, in the absence of objection and if he deems same prudent, may issue the letter of approval. Otherwise, the matter will be set for hearing if the applicant so requests."

(c) That the Bell Lake-Pennsylvanian Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 6: NW/4

(d) That the Querecho Plains-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 23: SW/4
Section 26: W/2

(e) That the Wantz-Granite Wash Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 23: N/2
Section 24: NE/4

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Case No. 5068

Order No. R-4635

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations and extensions of vertical and horizontal limits included herein shall be October 1, 1973.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. TRUJILLO, Chairman

ALEX J. ARMIZO, Member

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

SEAL

CASE 5069: Application of SUN OIL
COMPANY FOR A DUAL COMPLETION,
LEA COUNTY, NEW MEXICO.

211
0001, 26