

CASE 5843: OCC ON ITS OWN MOTION TO
CONSIDER THE CREATION OF A NEW GAS
POOL, MORA COUNTY, NEW MEXICO

ission

CASE NO.

5843

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 2, 1977

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the OCC on its own motion to consider the creation of a new pool, Mora County, New Mexico. CASE 5843

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil	Lynn Teschendorf, Esq.
Conservation Commission:	Legal Counsel for the Commission
	State Land Office Building
	Santa Fe, New Mexico

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

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I N D E X

Page

CARL ULVOG

Direct Examination by Ms. Teschendorf

3

Cross Examination by Mr. Nutter

6

EXHIBIT INDEX

Offered Admitted

OCC Exhibit One, Township Plat

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6

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1 MR. NUTTER: We will call Case Number 5843.

2 MS. TESCHENDORF: Case 5843 in the matter of the
3 hearing called by the Oil Conservation Commission on its own
4 motion to consider the creation of a new pool for the production
5 of gas from the Dakota and Morrison formations, said pool to
6 be designated the Wagon Mound Dakota-Morrison Gas Pool and
7 located in Township 21 North, Range 21 East, Mora County,
8 New Mexico.

9 MR. NUTTER: Call for appearances in this case.

10 MS. TESCHENDORF: Lynn Teschendorf, appearing on
11 behalf of the Commission and I have one witness.

12 MR. NUTTER: Any other appearances?

13 (THEREUPON, the witness was duly sworn.)

14
15 CARL ULVOG

16 called as a witness, having been first duly sworn, was
17 examined and testified as follows:

18
19 DIRECT EXAMINATION

20 BY MS. TESCHENDORF:

21 Q State your name, position and place of residence,
22 please?

23 A Carl Ulvog, Senior Geologist for the Oil Conserva-
24 tion Commission, Supervisor of District Four and stationed
25 in Santa Fe.

1 Q Are you prepared to make recommendations to the
2 Examiner concerning the creation and nomenclature of a
3 certain pool in Mora County, New Mexico?

4 A Yes, I am.

5 Q Are your recommendations prepared in the form of
6 an exhibit?

7 A Yes, they are.

8 Q Will you please refer to this exhibit and describe
9 what it shows?

10 A On this exhibit you will find -- which is,
11 incidentally, a township plat covering all of Townships 21 North
12 and 22 North, Range 21 East and the west half of Townships 21
13 North and 22 North, Range 22 East.

14 In Township 21 North, 21 East I have outlined there
15 in red the southwest quarter of Section 14 of 21 North,
16 21 East and the northeast quarter of Section 22 of that
17 Township, the southwest quarter and the north half of
18 Section 25 of that same Township.

19 Q Is that in Section 23?

20 A That's correct, Section 23, pardon me. That outline
21 is the proposed outline of the field as we are here proposing
22 to create the pool.

23 Outlined in green are four additional tracts, one
24 being the northeast quarter of Section 26. All of these are
25 in 21 North and 21 East, by the way.

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1 We have also outlined in green the northeast quarter
2 of Section 28 and the southwest quarter of Section 9, the
3 northeast quarter of Section 15.

4 Those with the green outlines are for the tracts on
5 which there is indicated commercial production but it is not
6 presently in production, those are shut in gas wells.

7 Q How were these particular boundaries chosen for
8 the pool?

9 A The boundary in red, which is what we are proposing
10 for the new pool is based primarily on the fact that there
11 are four wells producing there. Those four wells are on
12 production.

13 Q What name do you propose for this new pool?

14 A I'm proposing that this name be the Wagon Mound
15 Dakota-Morrison Gas Pool.

16 We had a C-123 filed and received here on April 26th,
17 1976 which requested the name of Wagon Mound Dakota. We are
18 here proposing a multi-pay pool which will produce from
19 both the Dakota and the Morrison.

20 Q Do you have anything further to add to this?

21 A No, I think that covers it, unless there are
22 questions.

23 MS. TESCHENDORF: At this time I move the intro-
24 duction of Exhibit One into evidence.

25 MR. NUTTER: OCC Exhibit One will be admitted into

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1 evidence.

2 (THEREUPON, OCC Exhibit One was admitted
3 into evidence.)
4

5 CROSS EXAMINATION

6 BY MR. NUTTER:

7 Q Mr. Ulvog, we have here four wells that are
8 producing at the present time, you state, and four additional
9 wells that you designated as being shut in gas wells. Now,
10 are these wells producing from the Dakota and the Morrison
11 formations?

12 A Of the wells that are on stream, three of the wells
13 are producing from the Dakota only and one is producing from
14 the Dakota and the Morrison.

15 Q So both formations are open in at least one well?

16 A That is correct.

17 Q What is the depth of this production in the Dakota
18 and the Morrison?

19 A The production from the Dakota ranges from about
20 three hundred and fifty feet to about four hundred and fifty
21 feet and the Morrison that is productive is in the vicinity
22 of four hundred and seventy-five to five hundred and seventy-
23 five feet in depth. This is depth from below the surface.

24 Q Now, you called this pool the Wagon Mound Dakota-
25 Morrison, what is its location with respect to the town of

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1 Wagon Mound?

2 A. It is located only a few miles to the north and
3 east of the town of Wagon Mound. I don't know the exact
4 distance but I could get it for you.

5 Q. Approximately how many miles?

6 A. In the vicinity of about four miles.

7 Q. I see, and that's in Mora County, is it?

8 A. That is correct.

9 Q. Is this the first hydrocarbon production in the
10 State of New Mexico outside of the four counties in the
11 northwest and the four counties in the southeast?

12 A. That is correct. That is commercial production,
13 yes.

14 MR. NUTTER: Are there any further questions of
15 Mr. Ulvog? He may be excused.

16 (THEREUPON, the witness was excused.)

17 MR. NUTTER: Do you have anything further,
18 Ms. Teschendorf?

19 MS. TESCHENDORF: No, I don't.

20 MR. NUTTER: Does anyone have anything they wish to
21 offer in Case 5843? We will take the case under advisement.

22

23

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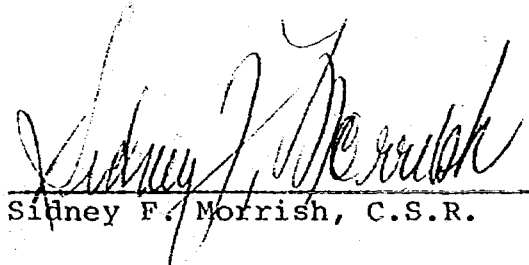
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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.


 Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5843
heard by me on 2/2, 1977.


 Examiner
 New Mexico Oil Conservation Commission

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Phone (505) 982-9212

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION COMMISSION ON ITS OWN
MOTION TO CONSIDER CREATION OF THE WAGON
MOUND DAKOTA-MORRISON GAS POOL, MORA
COUNTY, NEW MEXICO.

CASE NO. 5843
Order No. R-5362

NOMENCLATURE

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 2, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of February, 1977, 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 Brooks Exploration Incorporated, by its Berlier Well No. 2, located in Unit A of Section 2, Township 21 North, Range 21 East, Mora County, New Mexico, has discovered a new common source of gas supply in the Dakota and Morrison formations.

(3) That said well was completed September 30, 1975, producing gas from the Dakota formation through the open-hole interval from 358 feet to 390 feet, and was subsequently recompleted producing gas from the Dakota and Morrison formations through the open-hole interval from 358 feet to 648 feet.

(4) That since completion of said well, three other producing wells have been completed in the immediate vicinity.

(5) That there is need for the creation of a new gas pool for Dakota-Morrison production, said pool to bear the designation

-2-

Case No. 5843
Order No. R-5362

Wagon Mound Dakota-Morrison Gas Pool and to comprise:

TOWNSHIP 21 NORTH, RANGE 21 EAST, NMPM
Section 14: SW/4
Section 22: NE/4
Section 23: N/2 and SW/4

Mora County, New Mexico.

IT IS THEREFORE ORDERED:

(1) That a new pool in Mora County, New Mexico, classified as a gas pool for Dakota-Morrison production, is hereby created and designated as the Wagon Mound Dakota-Morrison Gas Pool, consisting of the following described area:

TOWNSHIP 21 NORTH, RANGE 21 EAST, NMPM
Section 14: SW/4
Section 22: NE/4
Section 23: N/2 and SW/4

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


Phil R. Lucero

PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

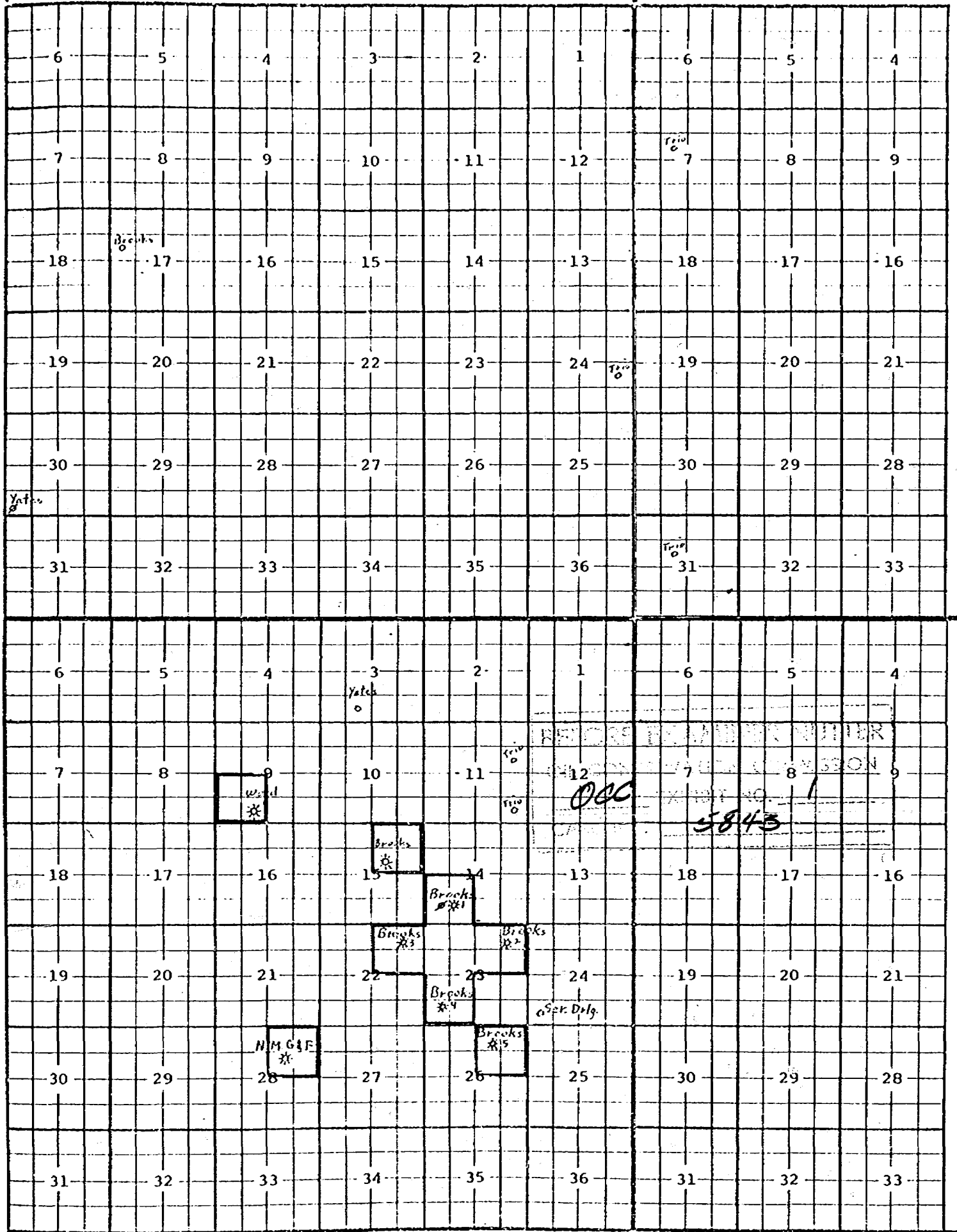
Joe D. Ramey
JOE D. RAMEY, Member & Secretary

SEAL

dr/

R-21-E

R-22-E



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Dockets Nos. 6-77 and 7-77 are tentatively set for hearing on February 16 and March 9, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 2, 1977

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stainets, Alternate Examiner:

CASE 5820: (Continued & Readvertised)

Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 4, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5834: (Continued & Readvertised)

Application of Sun Oil Company for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter its Dessie Sawyer Well No. 2, the surface location of which is 2310 feet from the South and West lines of Section 27, Township 9 South, Range 36 East, Crossroads Siluro-Devonian Pool, Lea County, New Mexico, and to directionally drill said well in such a manner as to bottom it in the Siluro-Devonian formation within 50 feet of a point 2310 feet from the South line and 2540 feet from the West line of said Section 27.

CASE 5835: (Continued & Readvertised)

Application of Palmer Oil Company for non-standard proration units and unorthodox locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the following non-standard proration units in Township 31 North, Range 7 West, San Juan County, New Mexico: a 310.48-acre Basin-Dakota unit comprising Lots 5, 6, 7, and 8 and the E/2 SW/4 and SE/4 of Section 2; the following Blanco Mesaverde and Basin-Dakota Units: 323.39 acres comprising Lots 5, 6, 7, and 8 and W/2 SW/4 of Section 3 and Lot 5 and the E/2 SE/4 and SW/4 SE/4 of Section 4; 320 acres comprising the E/2 SW/4 and S/2 SE/4 of Section 3 and NW/4 of Section 10; and 320 acres comprising the W/2 SW/4 of Section 2, N/2 SE/4 of Section 3, and NE/4 of Section 10; the following Fruitland and Pictured Cliffs Units: 150.48 acres comprising Lots 5, 6, 7, and 8 and the E/2 SW/4 of Section 2; 175.76 acres comprising Lots 5, 6, 7, and 8 and W/2 SW/4 of Section 3; 160 acres comprising the W/2 SW/4 of Section 2 and N/2 SE/4 of Section 3; 160 acres comprising the E/2 SW/4 and S/2 SE/4 of Section 3; and 147.63 acres comprising Lot 5 and the SW/4 SE/4 and E/2 SE/4 of Section 4.

Applicant proposes to dedicate the above lands to various wells to be drilled at orthodox and unorthodox locations as follows: Section 2: 2200 feet from South and 800 feet from East lines, and 800 feet from South and 1675 feet from West lines; Section 3: 800 feet from North and West lines, 800 feet from South and 1850 feet from West lines, and 1400 feet from South and 1110 feet from East lines; Section 4: 800 feet from South and East lines; Section 10: 1800 feet from North and 850 feet from West lines, and 1525 feet from North and 1850 feet from East lines.

CASE 5840: (Continued from January 19, 1977, Examiner Hearing)

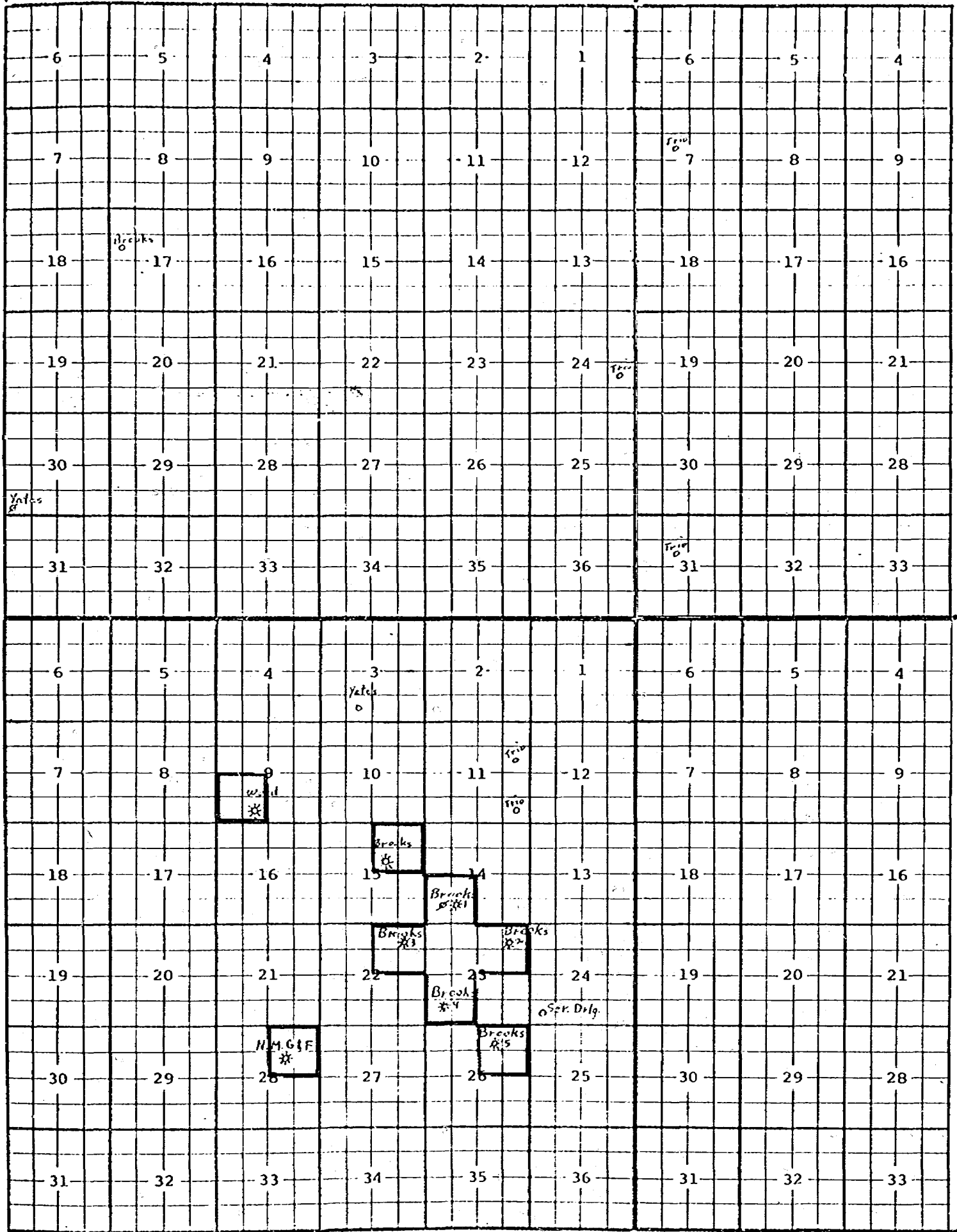
Application of Dome Petroleum Corporation for pool creation and assignment of a discovery allowable, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Entrada production and the assignment of approximately 25,800 barrels of oil discovery allowable to the discovery well, being applicant's Federal 15 Well No. 1 located in Unit F of Section 15, Township 19 North, Range 5 West, McKinley County, New Mexico.

CASE 5843: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the creation of a new pool for the production of gas from the Dakota and Morrison formations, said pool to be designated the Wagon Mound Dakota-Morrison Gas Pool and located in Township 21 North, Range 21 East, Mora County, New Mexico.

CASE 5844: Application of Skelly Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Pictured Cliffs and Chacra production in the wellbores of the Jicarilla "C" Wells Nos. 9 and 17 located in Units K and D, Section 28; Nos. 11 and 19 in Units L and I, Section 27; Nos. 12 and 13, Units C and B, Section 33; No. 10 in Unit M, Section 22; and No. 15 in Unit G, Section 34, all in Township 25 North, Range 5 West, Rio Arriba County, New Mexico, and to provide for administrative approval of the commingling downhole of additional wells in Sections 5 and 6, Township 24 North, Range 5 West, and Sections 21 and 34, Township 25 North, Range 5 West.

R-21-E

R-22-E



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Memo

From

CARL ULVOG

SENIOR

PETROLEUM GEOLOGIST

To Case 5843

~~Stone~~ @

Multipay Pools (Precedents)

Artesia Queen-Grayburg-San Andres

Jalmit Tancill-Yates Seven Rivers

Justic Tubb-Drinkard

Hobbs Grayburg-San Andres

Dufene Point Gallup-Dakota R-4311

Lindrithe Gallup-Dakota R-4355

Harper Hill Fruitland-Pictured Cliffs

Memo

From
CARL ULVOG
SENIOR
PETROLEUM GEOLOGIST

To

~~Service Dalg. Co.~~ From Case 5768
(Service Dalg. Co.)

has shown from 400' to 1000'

Later perforated zones tested
individually (p 27)

Low pressure in Kd and adjacent sands
(p 28)

"... gas, not only in Kd but in lower sands."
(p 28)

Kd @ 350' - 450' ±125'

Jm @ 475' - 575' -

^{Tedillo}
Jt @ 800' - 875'

^{Entrada}
Je @ 850' - 900'

Case -

In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the creation ~~and designation~~ of a new pool for the production of gas from the Dakota and Morrison formations. Said pool would be designated the Wagon Mound Dakota-Morrison Gas Pool and is located in Township 21 North, Range 21 East, Mora County, New Mexico.

DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 5843

Order No. R- 5362

GR
IN THE MATTER OF THE HEARING CALLED BY NOMENCLATURE
THE OIL CONSERVATION COMMISSION ON ITS OWN
MOTION TO CONSIDER CREATION OF THE WAGON MOUND
DAKOTA-MORRISON GAS POOL, MORA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

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19 77, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of February, 19 77, the Commission,
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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 Brooks Exploration Incorporated, by its Berlier
~~X~~ Well No. 2, located in Unit A of Section 2, Township 21 North,
Range 21 East, Mora County, New Mexico, has discovered a new
common source of gas supply in the Dakota and Morrison formations.

(3) That said well was completed ^{September 30} ~~October 18~~, 1975, producing
~~the Dakota formation through~~ ³⁵⁸ ~~390~~
gas from the open-hole interval from ~~293~~ feet to ~~424~~ feet, and

(4) That since completion of said well, three other producing
wells have been completed in the immediate vicinity.

*was subsequently recompleted producing gas
from the Dakota and Morrison formations
through the open-hole interval from
358 feet to 648 feet.*

-2-

Case No. 5843

Order No. R-

(5) That there is need for the creation of a new gas pool for Dakota-Morrison production, said pool to bear the designation Wagon Mound Dakota-Morrison Gas Pool and ~~would~~^{to} comprise:

TOWNSHIP 21 NORTH, RANGE 21 EAST, NMPM

Section 14: SW/4

Section 22: NE/4

Section 23: N/2 and SW/4

Mora County, New Mexico.

IT IS THEREFORE ORDERED:

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TOWNSHIP 21 NORTH, RANGE 21 EAST, NMPM

Section 14: SW/4

Section 22: NE/4

Section 23: N/2 and SW/4

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