

Case No.

979

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO
November 16, 1955

IN THE MATTER OF:

CASE NO. 979

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
605 SIMMS BUILDING
TELEPHONE 3-8691
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 16, 1955

IN THE MATTER OF:

Southeastern New Mexico nomenclature case,
calling for creations and extensions and
deletion of existing pools in Lea and Eddy
Counties, New Mexico.

(a) Creation of a new oil pool for Bone
Springs production, designated as the Pearl-
Bone Springs Pool, described as:

Township 19 South, Range 35 East
Section 27: NE/4

(b) Extension of the Dollarhide-Queen Pool
to include:

Township 24 South, Range 38 East
Section 19: SE/4

(c) Delete from the Jalmat Gas Pool the
following:

Township 21 South, Range 36 East
Section 31: NE/4

(d) Extension of the Eumont Gas Pool to
include:

Township 21 South, Range 36 East
Section 31: NE/4

(e) Extension of the Langlie-Mattix Pool
to include:

Township 25 South, Range 37 East
Section 36: E/2

(f) Township 25 South, Range 38 East
Section 31: W/2

(f) Extension of the High Lonesome Pool
to include:

Township 16 South, Range 29 East
Section 16: E/2

Case No. 979

(g) Extension of the Arrow Gas Pool to include: }

Township 21 South, Range 36 East

Section 26: W/2

Section 35: NW/4

(h) Extension of the Tubb Gas Pool to include: }

Township 22 South, Range 37 East

Section 36: NE/4

BEFORE:

Honorable John F. Simms, Jr.
Mr. E. S. (Johnny) Walker
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 979.

R A N D A L L M O N T G O M E R Y,

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

DIRECT EXAMINATION

By MR. GURLEY:

Q Would you state your name and position, please?

A Randall Montgomery, geologist for the New Mexico Oil Commission.

Q Mr. Montgomery, you are familiar with Case 979, are you not?

A Yes, sir, I am.

Q In Case 979, in the southeastern New Mexico nomenclature, calling for creations and extensions and deletions of existing pools in Lea and Eddy Counties, New Mexico, as advertised, section (a) states, "requests the creation of a new oil pool for Bone Springs production, designated as the Pearl-Bone Springs Pool." Are you familiar with that particular part of this case?

A Yes, sir, I am.

Q On what do you base your recommendations?

A Shell Oil Company completed their Hooper No. 1 in unit G of Section 27, Township 19 South, Range 35 East. It was completed in the Bone Spring 9/12/55, top of perforation is 8198. The advertisement reads "Bone Springs" -- plural; actually it should be singular, "Bone Spring".

Q You recommend that this new pool include the northeast quarter of Section 27, Township 19 South, Range 35 East?

A Yes, sir.

Q In your recommendation of the extension of the Dollarhide-Queen Pool to include the southeast quarter of Section 19, Township 24 South, Range 38 East, what are your bases for your recommendation?

A J. H. McClure No. 15 in unit O, Section 19, Township 24 South, Range 38 East. It was completed in the Queen formation 9/23/55. The top of the perforation was 3696. I recommend the field be extended as advertised.

Q Section (c) and (d), you have recommended the deletion from the Jalmat Gas Pool in the northeast quarter of Section 31 and the extension of the Eumont Gas Pool in the northeast quarter of Section 31?

A Yes.

Q What are the bases for your recommendations?

A We altered the boundaries here so that we can be sure we are cutting across the basic lease of the Texas Company and for them to dedicate their gas acreage without any great administrative trouble, since it would be in two pools. We have slightly altered the boundaries of the Jalmat and Eumont Pools. All of the gas unit will be in the Eumont Pool for the Texas Company well.

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Q In Section (e) you have recommended the extension of the Langlie-Mattix Pool to include the east half of Section 36, Township 25 South, Range 37 East; the west half of Section 31, Township 25 South, Range 38 East. What are the bases of your recommendations on that?

A The basis for extending the pool was completion of Leonard Oil Company's Ginsberg No. 5 in Unit D, Section 31, Township 25 South, Range 38 East, completed in the Queen formation on 9/16/55. The base of the casing shoe is 3258. I recommend the pool be extended as advertised.

Q Section (f), it is recommended the extension of the High Lonesome Pool to include the east half of Section 16, Township 16 South, Range 29 East. Would you state your basis for these recommendations?

A This was occasioned by the completion of three wells by the Moab Drilling Company in Section 16, Township 16 South, Range 29 East, being the Skelly State No. 6 in Unit G, Skelly State No. 7 in Unit H, and State No. 1 in Unit J. I recommend that the pool be extended as advertised.

Q Section (g), you have recommended the extension of the Arrow Gas Pool to include the west half of Section 26 and the northwest quarter of Section 35 in Township 21 South, Range 36 East. Would you state to the Commission the basis for your recommendation for this extension?

A This was an order to extend the horizontal limits of the Arrow Gas Pool so we could include all of Humble's basic leases in the Arrow Pool, to facilitate the dedication of acreage to gas production unit. I recommend it be extended as advertised.

Q In Section (h) you have recommended to include the northeast quarter of Section 36, Township 22 South, Range 37 East. Would you state to the Commission the basis on which you make this recommendation?

A Based upon the completion of the Western Oil Fields' Gulf-State No. 1 in Unit A, Section 36, Township 22 South, Range 37 East, completed in the Tubb Formation as a gas well and the top of the perforation was 6,004 feet. I recommend that the pool be extended as advertised.

MR. GURLEY: That is all.

CROSS EXAMINATION

By MR. NUTTER:

Q In other words, all paragraphs were just as advertised with the exception of paragraph (a), merely Bone Spring Pool in which you dropped an "s" of the Bone Springs?

A That is correct.

Q May I have the location of the Shell Hooper No. 1?

A Unit G, Section 27, Township 19 South, Range 35 East.

Q Completed 9/12/55?

A That is correct.

Q What was the casing shoe or the top of the perforation?

A Top of the perforation, 8198.

MR. GURLEY: Do you have any exhibits?

A Yes, I have exhibits which I will mark 1 through 9.

(Commission's Exhibits 1 through 9
marked for identification.)

MR. GURLEY: If it please the Commission, I would like to introduce these at this time.

MR. MACEY: Without objection they will be received. Any

questions of the witness? If no questions, the witness will be excused.

(Witness excused.)

We will take the case under advisement.

* * * * *

STATE OF NEW MEXICO)
 : SS
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.


NOTARY PUBLIC-COURT REPORTER

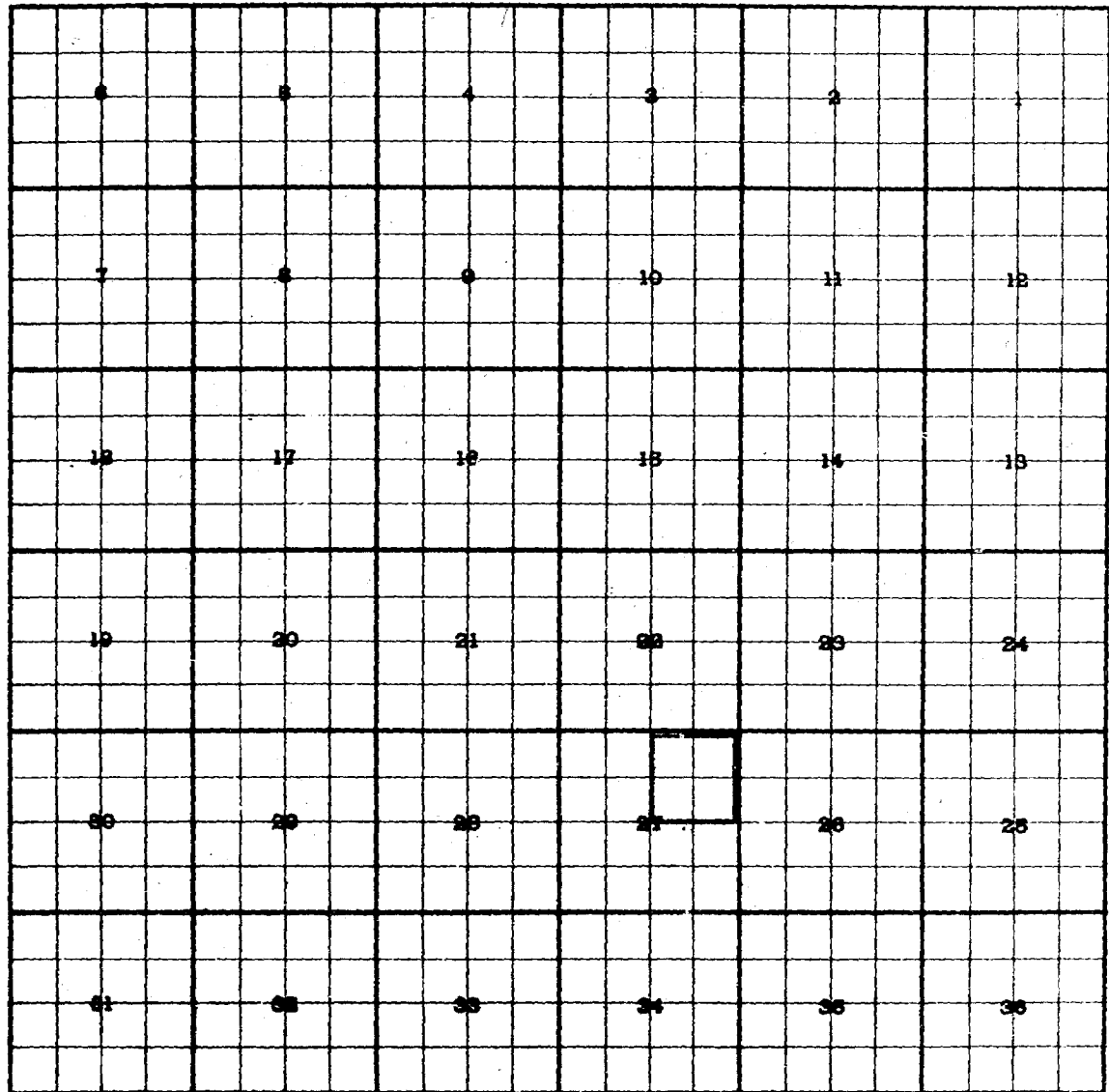
My commission expires:

June 19, 1959.

Case 979 (A) Creation of a new pool

County LEA Pool PEARL-BONE SPRING

TOWNSHIP 19 South, RANGE 35 East, NEW MEXICO PRINCIPAL MERIDIAN



Producing Formation -Bone Spring Depth Range 8-9

Purpose: To create a new pool for

Shell Oil Co., Hooper #1-G Sec. 27-19-35 comp. in Bone Spring (from former
Atoka comp.) 9/12/55 t. perf. 8198

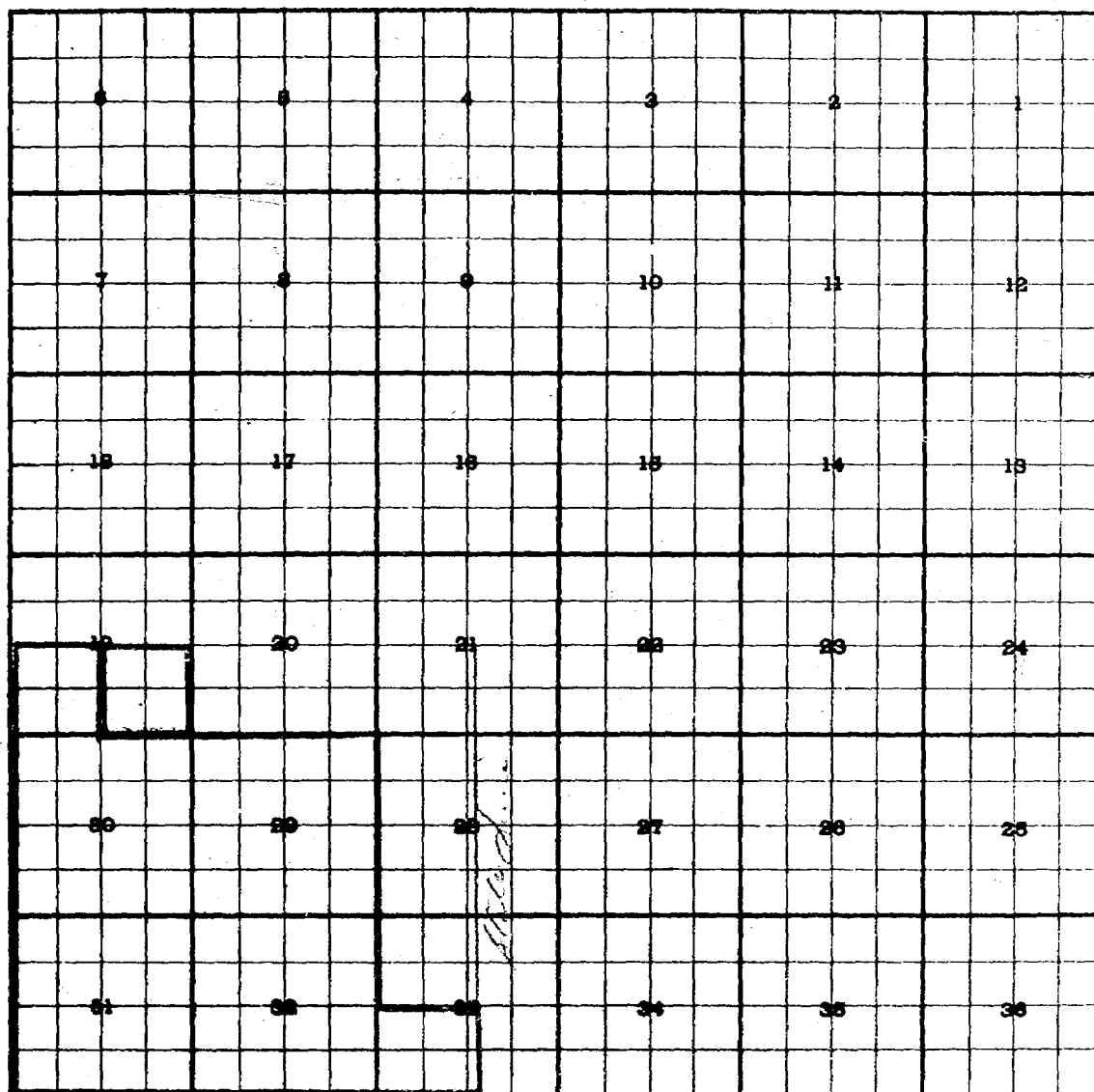
Proposed Boundary: NE/4 of Section 27

Case 979 (B) Extension of an existing pool

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County LEA Pool DOLLARHIDE-QUEEN

TOWNSHIP 24 South, RANGE 38 East, NEW MEXICO PRINCIPAL MERIDIAN



Producing Formation -Queen Depth Range 0-5

Purpose: To extend the pool for the inclusion of -

Sinclair Oil & Gas J. H. McClure Fed. #15-0 Sec. 19-24-38 comp. in Queen
9/23/55 t. perf. 3696

Existing Boundary : Colored in Red

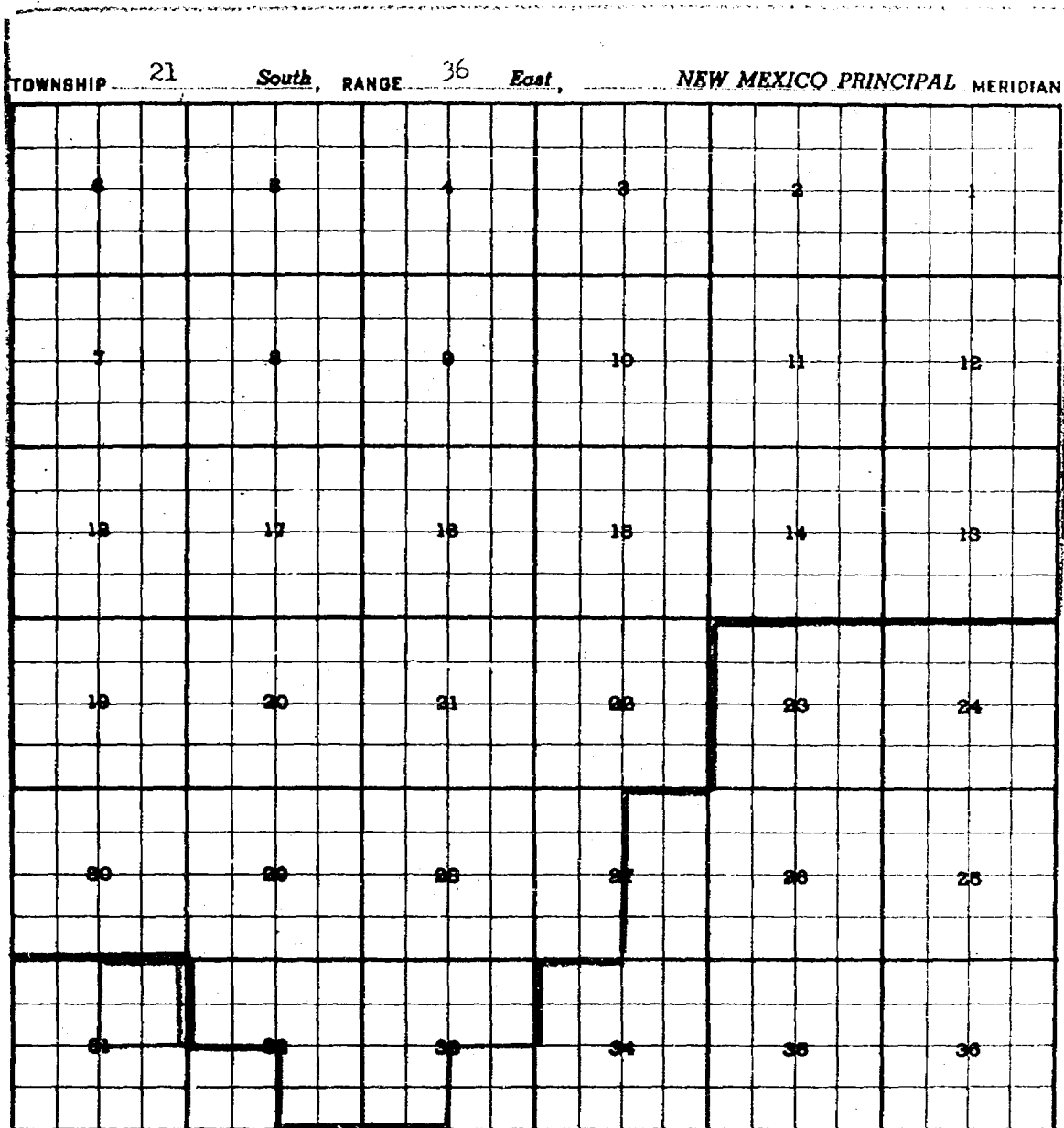
Proposed Extension: Colored in Green SE/4 of Section 19

Case 979 -(D) Extension of the Eumont

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County LEA

Pool EUMONT



Producing Formation-Y-SR-Qu.

Purpose: To extend the pool for NSP unit for Texas Co. Rector lease

Existing Boundary : Colored in Red

Proposed Extension: Colored in Green

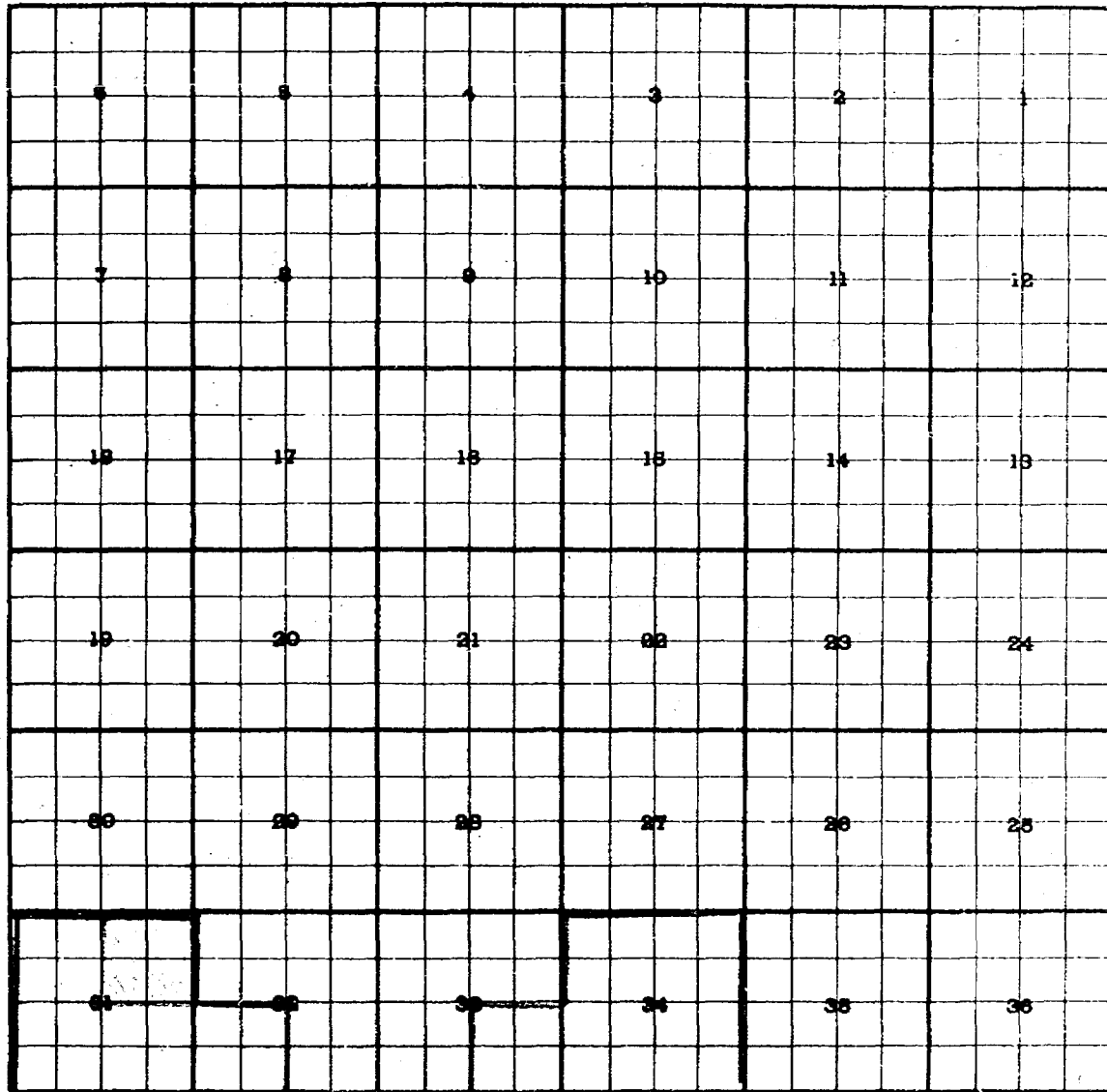
Case 979 (C) Deletion of an area from a pool

4

County LEA

Pool JALMAT

TOWNSHIP 21 *South*, RANGE 36 *East*, NEW MEXICO PRINCIPAL MERIDIAN



Purpose- To delete an area from the Jalmat to be added to the Eumont
for NSP for Texas Co. Rector lease

Existing Boundary : Colored in Red

Proposed Deletion: Colored in Green NE/4 Sec. 31

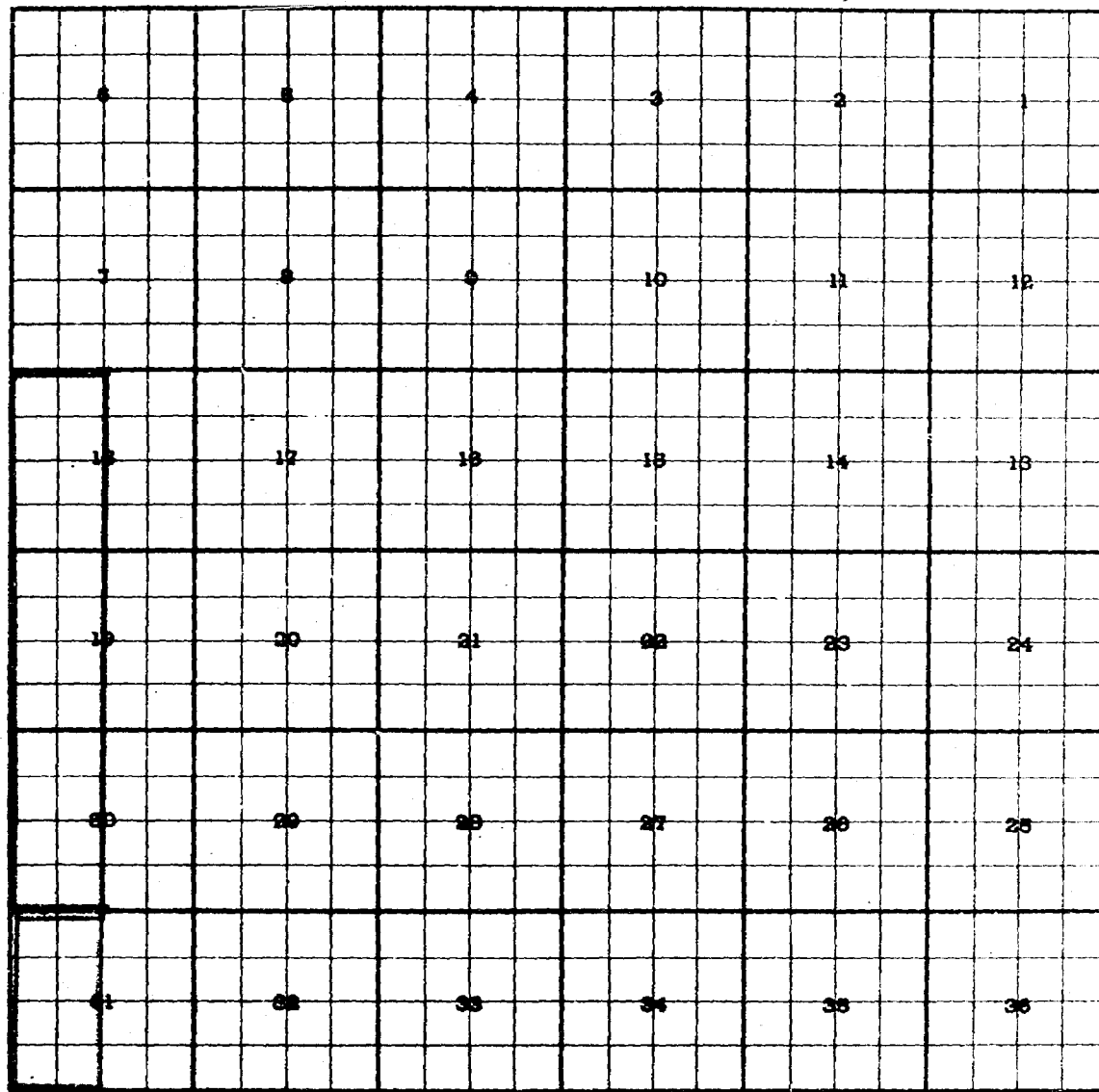
Case 979 (E) Extension of the Langlie-Mattix

5

County LEA

Pool LANGLIE-MATTIX

TOWNSHIP 25 South, RANGE 38 East, NEW MEXICO PRINCIPAL MERIDIAN



Producing Formation: Part of SR and all Queen 0-5

Purpose: To extend the pool to include -

Leonard Oil Co. Ginsberg #5-D Sec. 31-25-38 Queen producer comp.
9/16/55 decs. 3258

Existing Boundary : Colored in Red

Proposed Extension: Colored in Green W/2 Sec. 31

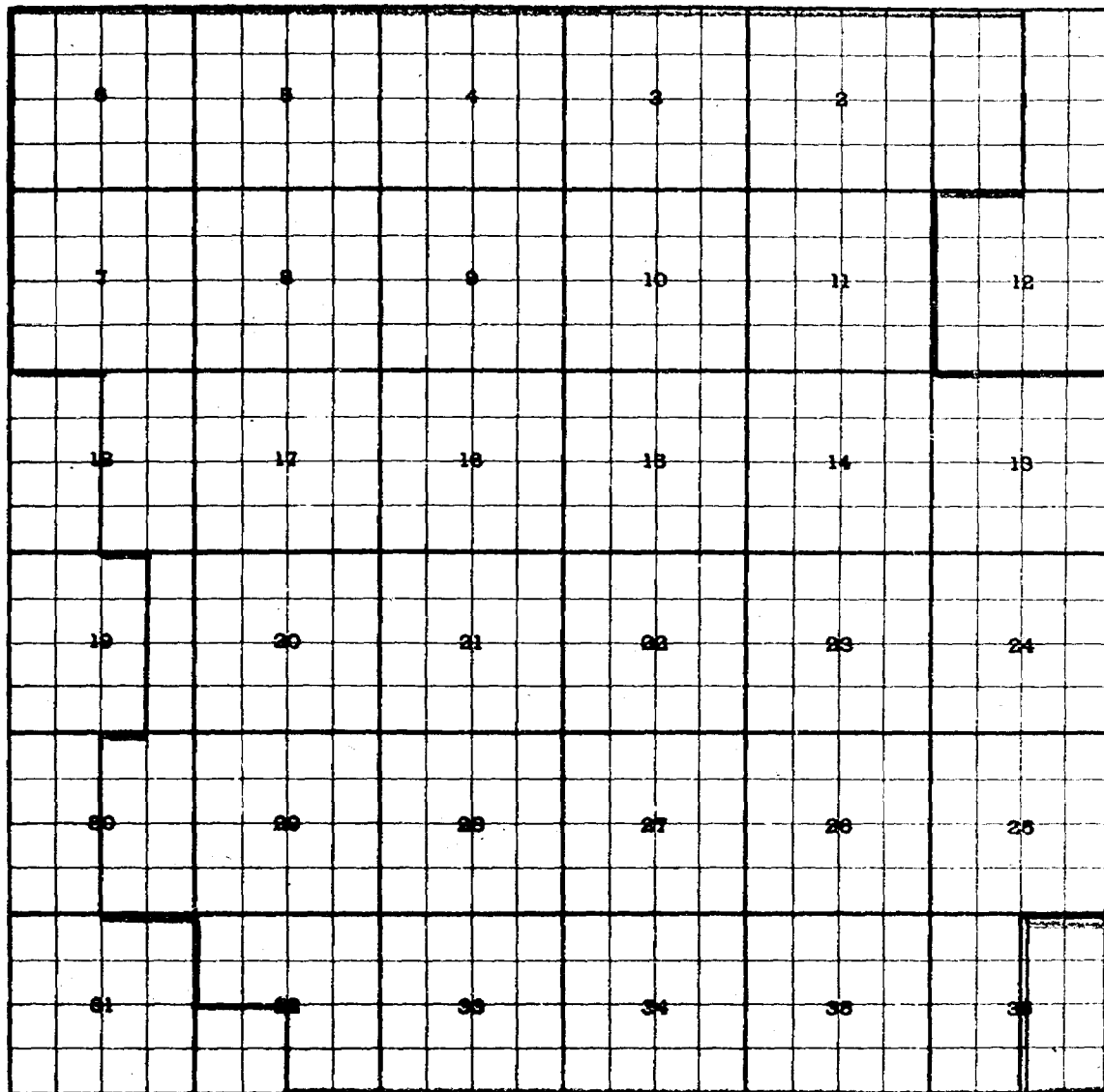
Case 979-(E) Extension of the Langlie-Mattix

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County LEA

Pool LANGLIE-MATTIX

TOWNSHIP 25 South, RANGE 37 East, NEW MEXICO PRINCIPAL MERIDIAN



Producing Formation : Part of Seven Rivers, all Queen

Purpose: To make 31-25-38 contiguous to pool, see next plat

Existing Boundary : Colored in Red

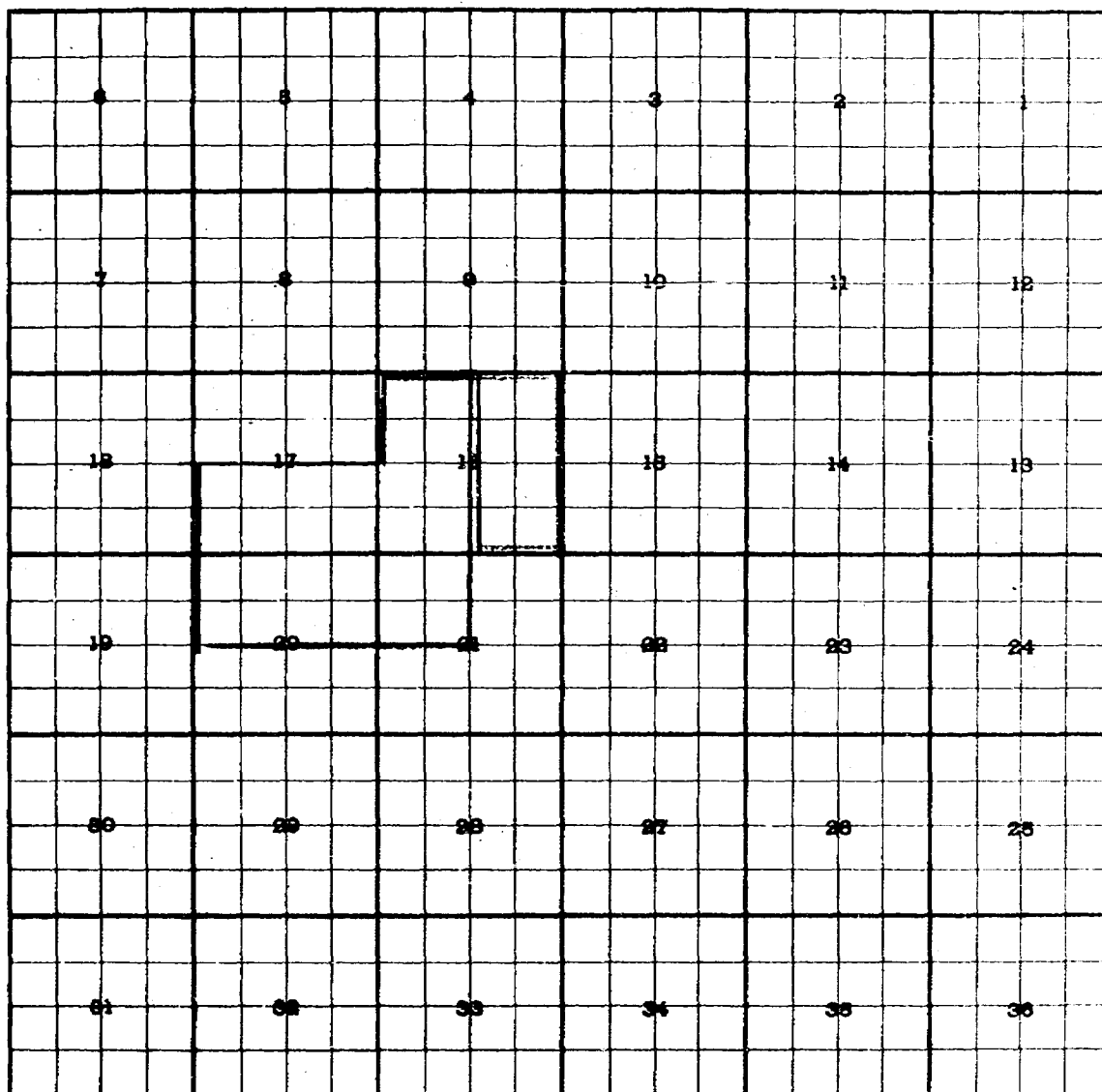
Proposed Extension: Colored in Green E/2 Sec/36

Case 959 (F) Extension of an existing pool

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County EDDY Pool HIGH LONESOME

TOWNSHIP 16 South, RANGE 29 East, NEW MEXICO PRINCIPAL MERIDIAN



Depth Range 0-5 Producing Formation-Queen

Purpose: To extend the pool for the inclusion of-

Moab Drilling Co., Skelly State #6-G Sec. 16-16-29 comp. 8/27/55 in Qu.
t.pay 1856

" Skelly State #7-H Sec. 16-16-29 comp. 8/24/55 in Qu.
dos. 1879

" State #1-J comp. 9/5/55 in Queen tp.1854

Existing Boundary:: Colored in Red

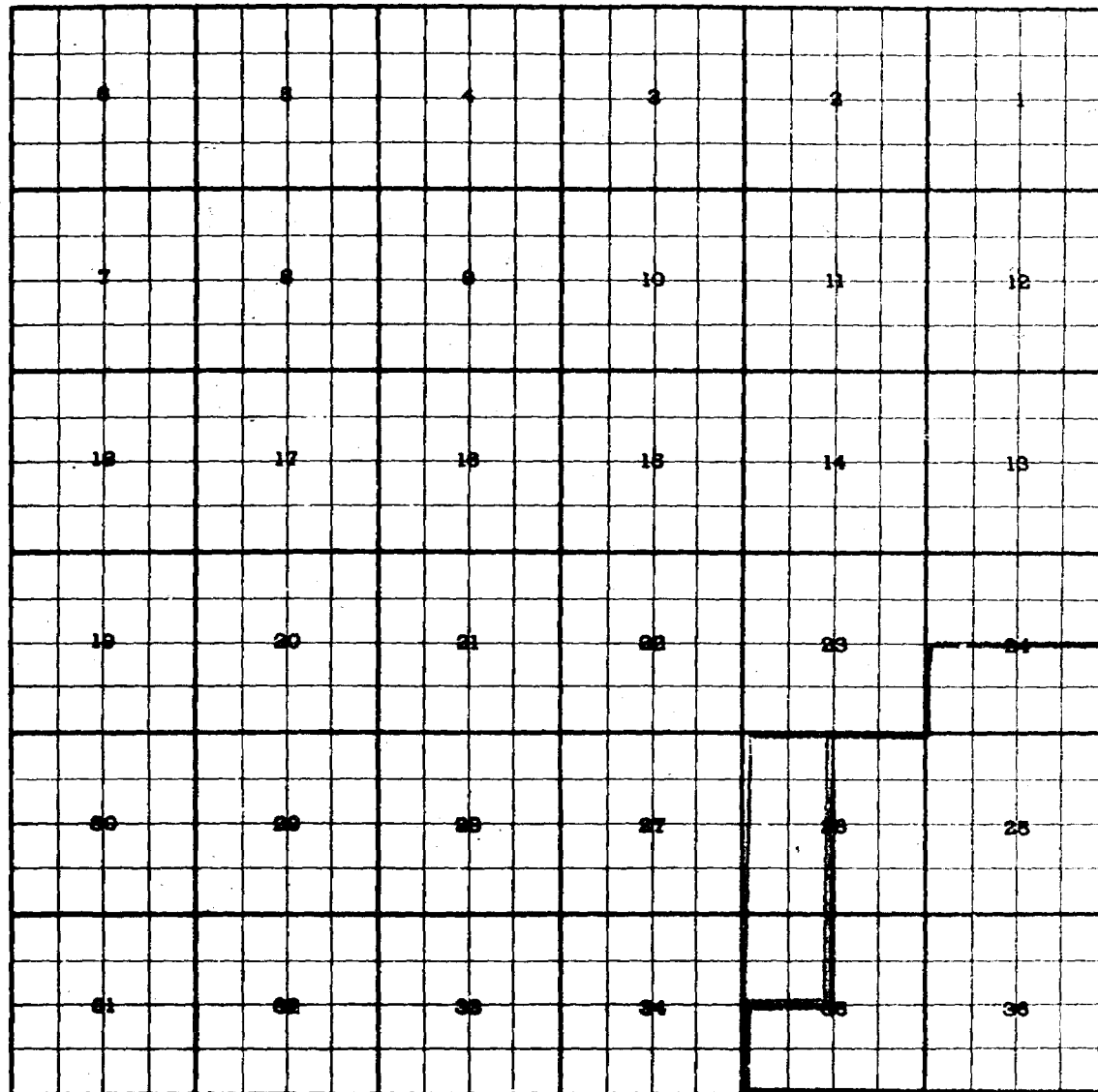
Proposed Extension: Colored in Green E/2 Sec. 16

Case 979 (G) Extension of the Arrow Gas Pool

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County LEA Pool ARROW

TOWNSHIP 21 *South*, RANGE 36 *East*, NEW MEXICO PRINCIPAL MERIDIAN



Purpose: To extend the pool for NSP Unit for Humble

Existing Boundary : Colored in Red

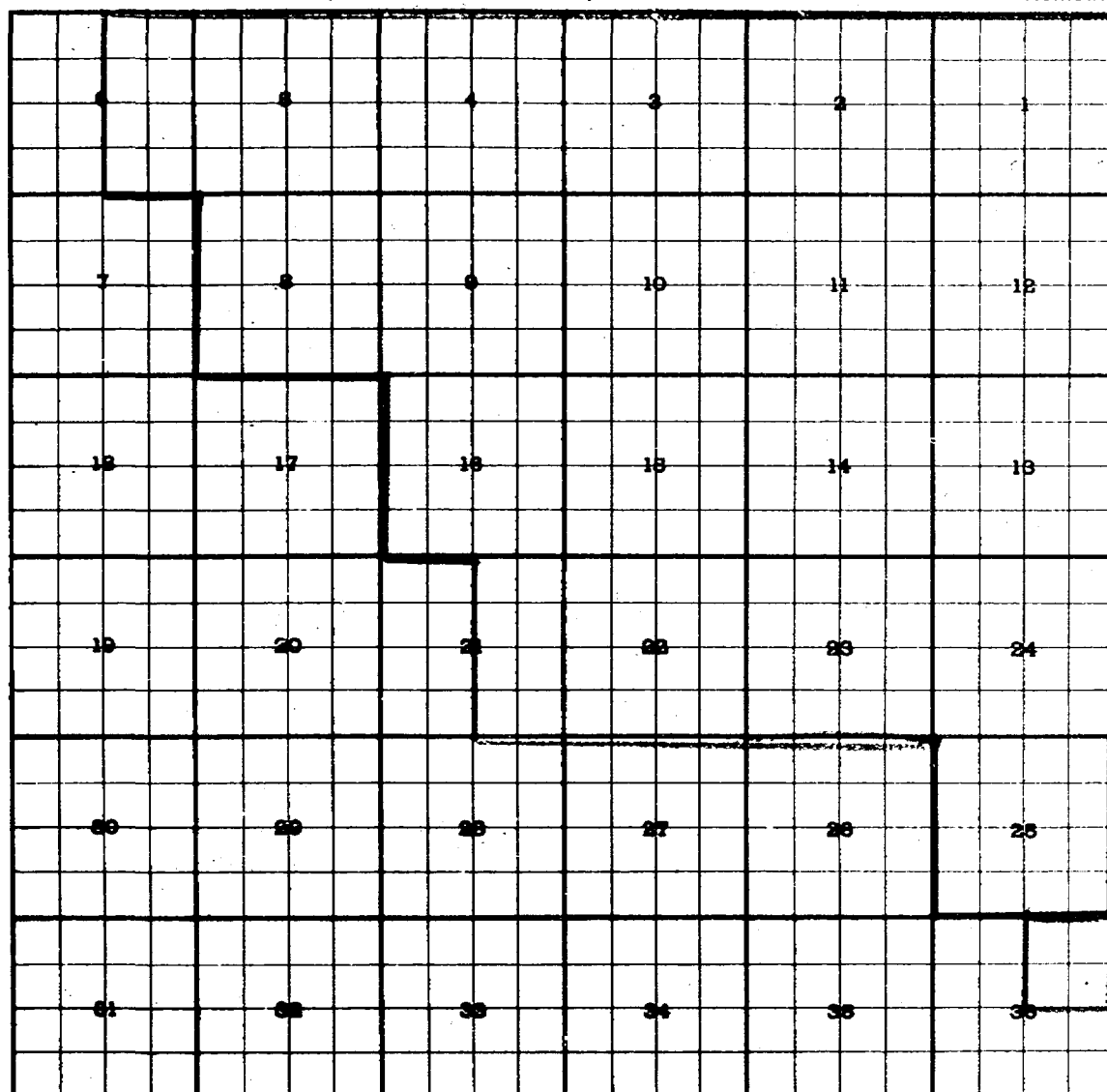
Proposed Extension: Colored in Green W/2 Sec. 26 and NW/4 Sec. 35

Case 979 (H) Extension of the TUBB GAS Pool

County LEA Pool TUBB

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TOWNSHIP 22 *South*, RANGE 37 *East*, NEW MEXICO PRINCIPAL MERIDIAN



Purpose: To extend the pool for the inclusion of-

Western Oil Fields Gulf-State #1-A Sec 36-22-37 comp. 12/19/53 in Tubb
t.p. 6004

Existing Boundary : Colored in Red

Proposed Extension: Colored in Green NE/4 Sec. 36-22-37

Case

979

November Nomenclature Adv.

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO

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 new pools and the extension of existing pools in Lea and Eddy Counties, 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 Devonian production, designated as the Dean-Devonian pool, and described as:

Township 15 South, Range 36 East

All of Section 26

E/2 of NE/4 & SE/4 of Section 34

All of Section 35

Township 16 South, Range 37 East

Lots 1, 2, 3, 4, 5, 6, 7, and 8 of Section 5

Lots 1, 2, 7, and 8 of Section 6

and such other etc.

(b) Create a new pool in Lea County, New Mexico, classified as an oil pool for Bone-Springs production, designated as the Pearl-Bone Springs pool, and described as:

Township 19 South, Range 35 East

NE/4 of Section 27

and such other etc.

(c) Extend the Dollarhide-Queen pool boundary in Lea County, New Mexico, to include therein:

Township 24 South, Range 38 East

SE/4 of Section 19

and such other etc.

(d) ~~Extend~~ the Jalmat gas pool boundary in Lea County, New Mexico, to ~~include~~ therein:

Township 21 South, Range 36 East

NE/4 of Section 31

and such other etc.

(e) Extend the Langlie-Mattix pool boundary in Lea County, New Mexico, to include therein:

Township 25 South, Range 37 East

E/2 of Section 36

Township 25 South, Range 38 East

W/2 of Section 31

and such other etc.

OIL CONSERVATION COMMISSION
HOBBS, NEW MEXICO

Case _____ November Nomenclature Adv.

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(f) Extend the High Lonesome pool boundary in Eddy County, to include therein:

Township 16 South, Range 29 East
E/2 of Section 16

and such other etc.

(g) Extend the Arrow Gas Pool boundary in Lea County, New Mexico to include therein:

Township 21 South, Range 36 East, NMPN
W/2 Sec. 24
NW/4 Sec. 35

(h) Extend the Tubbs Gas Pool boundary in Lea County, New Mexico to include therein:

Township 22 South, Range 37 East, NMPN
NE/4 of Section 36

Nomenclature
SE
OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO

December 16, 1955

C
O
P
Y

Amerada Petroleum Corporation
Attention: Mr. W. G. Abbott
Drawer D
Monument, New Mexico

Texas Pacific Coal and Oil Co.
Attention: Mr. Art Smith
Box 1688
Hobbs, New Mexico

Gentlemen:

The recent completion of Texas Pacific Coal and Oil Company's No. 1 State, located in the NE/4 NE/4 of Section 4 T12S R33E, as an oil well in what appears to be the same stratigraphic zone as the Amerada Shell State A Unit No. 1 gas well (which is the offset well to the north), necessitates the accumulation of certain reservoir data to advise the Director of this Commission as to whether any action is necessary.

If your office has any information which may be of assistance it will be most helpful.

Yours sincerely,

OIL CONSERVATION COMMISSION

R
R. F. Montgomery
Geologist

RPM/hs
cc-Mr. W. B. Macey, Director
Oil Conservation Commission
Santa Fe, New Mexico

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. 979
Order No. R-724

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION UPON
ITS OWN MOTION FOR AN ORDER
CALLING FOR THE CREATION,
DELETION AND EXTENSION OF
CERTAIN POOLS IN LEA COUNTY,
NEW MEXICO AND EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on November 16, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 9th day of *December* 1955, 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 creation of a new pool in Lea County, New Mexico for the production of oil from Bone-Spring formation, said pool to bear the designation Pearl-Bone Spring Pool, Said Pearl-Bone Spring Pool was discovered by Shell Oil Company, Hooper No. 1, located in Unit "G", Section 27, Township 19 South, Range 35 East, NMPM. It was completed September 12, 1955. The top of the perforations is at 8,198'.

3. That there is need for certain extensions to the Dollarhide-Queen Pool, the Eumont Gas Pool, the Langlie-Mattix Pool, the Arrow Gas Pool, and the Tubb Gas Pool, all in Lea County, New Mexico, and the High Lonesome Pool in Eddy County, New Mexico.

4. That there is need for the deletion of certain areas from the Jalmat Gas Pool in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as an oil pool for Bone-Spring production, be and the same hereby is created. Said pool is to bear the designation Pearl-Bone Spring Pool and consist of the following described area:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 27: NE/4

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

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM
Section 19: SE/4

(c) That the Jalmat Gas Pool in Lea County, New Mexico, as heretofore classified, defined and described be and the same hereby is contracted by the deletion of the following described area:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 31: NE/4

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

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 31: NE/4

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

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 36: E/2

TOWNSHIP 25 SOUTH, RANGE 38 EAST, NMPM
Section 31: W/2

(f) That the High Lonesome Pool in Eddy County, New Mexico, as heretofore classified, defined and described, be and the same hereby is extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
Section 16: E/2

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

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 26: W/2
Section 35: NW/4

-3-

Order No. R-724

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

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 36: NE/4

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Simms
JOHN F. SIMMS, Chairman

E. S. Walker
E. S. WALKER, Member

W. B. Macey
W. B. MACEY, Member and Secretary



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