

CASE 2003: Application of A. O.  
WOMEN for creation of gas pool,  
80-acre spacing & dual completion.

Case 110.

2889

---

petition, Transcript,  
all Exhibits, Etc.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 21, 1963

9:00 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 Elvis A. Utz, as alternate examiner:

- CASE 2355: (Reopened and continued from August 7, 1963 examiner hearing )  
In the matter of Case 2355 being reopened pursuant to the provisions of Order No. R-2051-A, which order extended the temporary 320-acre proration units for the Bluitt-Wolfcamp Gas Pool, Roosevelt County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 160-acre proration units.
- CASE 2883: Application of Pan American Petroleum Corporation for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a Tubbs gas, Blinebry oil and Paddock gas triple completion, Fowler Field, at an unorthodox location for the Fowler Blinebry Oil Pool 990 feet from the South and West lines of Section 15, Township 24 South, Range 37 East, Lea County, New Mexico.
- CASE 2884: Application of Continental Oil Company for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project by the injection of water into the Dakota formation through its Table Mesa Well No. 25, located in Unit K, Section 34, Township 28 North, Range 17 West, Table Mesa Pool, San Juan County, New Mexico.
- CASE 2885: Application of John H. Trigg for four unorthodox locations, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the following four unorthodox oil well locations in his waterflood project, Caprock Queen Pool, Chaves County, New Mexico, all in Section 4, Township 14 South, Range 31 East:
- 1320 feet from the North line and 2475 feet from the East line;  
2764 feet from the North line and 2557 feet from the East line;  
1320 feet from the North line and 1320 feet from the East line;  
1320 feet from the North line and 1485 feet from the West line.
- CASE 2886: Application of Ambassador Oil Corporation for a capacity waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a capacity allowable waterflood project on its Federal "Q" lease comprising the NW/4 of Section 3, Township 17 South, Range 30 East, Eddy County, New Mexico, by the injection of water into the Square Lake Pool through 2 wells located in the NW/4 of said Section 3.

CASE 2887:

Application of Apache Corporation for the creation of the West Kemnitz Wolfcamp Oil Pool, and for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Lower Wolfcamp production in Section 31, Township 16 South, Range 33 East, and the establishment of temporary rules therefor, including provisions for 80-acre spacing and restricted well locations.

CASE 2888:

Application of the British American Oil Producing Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Jalmat Deep Unit Area comprising 10,568.81 acres of State land in Townships 21 and 22 South, Range 35 East, Lea County, New Mexico.

CASE 2889:

Application of A. O. Wooden for the creation of a gas pool, 80-acre spacing therefor, and a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a Queen gas pool for his Harbold Well No. 16 located in Unit N of Section 26, Township 17 South, Range 27 East, Eddy County, New Mexico. Applicant also seeks the establishment of 80-acre spacing for said pool. Applicant further seeks approval of the dual completion (conventional) of the said Harbold Well No. 16 to produce oil from the Premier Sand of the Grayburg formation, Red Lake Pool, through the tubing, and to produce gas from the Penrose sand of the Queen formation through the casing-tubing annulus.

CASE 2876:

( Continued from August 7, 1963 Examiner Hearing)  
Application of Consolidated Oil & Gas, Inc. for an unorthodox location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks permission to recomplete its Jicarilla No. 4-8 at an unorthodox Blanco-Mesaverde Pool location 1550 feet from the North line and 890 feet from the West line of Section 8, Township 26 North, Range 5 West, Rio Arriba County, New Mexico.

A. D. FRYMAN  
Geological and Engineering Service  
220 ~~SEWARD~~ CARPENTER BUILDING  
ARTESIA, NEW MEXICO

August 1, 1963 *Cpx 2889*

Mr. Dan Nutter  
Chief Engineer  
New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

Dear Sir:

We would like to apply for a non-standard gas unit and the creation of a new gas pool. The location of the unit is the SE $\frac{1}{4}$  SW $\frac{1}{4}$ , SW $\frac{1}{4}$  SE $\frac{1}{4}$ , Section 26, Township 17 South, Range 27 East.

At the present time the subject lease is producing oil from the Premier Sand of the Grayburg formation. The gas zone is in the Penrose Sand of the Lower Queen formation. We would like to produce the oil through 2" tubing and the gas through the annulus or between the tubing and casing. The oil and gas zones are separated by a Guiberson tension packer set at approximately 1200 feet. This gas zone is open in the Harbold # 16 only.

The Premier Sand oil zone is producing through perforations 1566-74 and 1586-98. The Penrose sand zone is perforated from 1101-11. The gas was tested by Phillips and Pan American and tested for 375 MCF on 24 hour absolute open flow test.

We are requesting an eighty acre spacing for this new gas pool if this meets your approval. As this is not too much gas I do not think it will

DOCKET MAILED

Date 8-7-63

A. D. FRYMAN  
Geological and Engineering Service  
220 ~~W~~ CARPENTER BUILDING  
ARTESIA, NEW MEXICO

August 1, 1963

*Cpx 2889*

Mr. Dan Nutter  
Chief Engineer  
New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

Dear Sir:

We would like to apply for a non-standard gas unit and the creation of a new gas pool. The location of the unit is the SE $\frac{1}{4}$  SW $\frac{1}{4}$ , SW $\frac{1}{4}$  SE $\frac{1}{4}$ , Section 26, Township 17 South, Range 27 East.

At the present time the subject lease is producing oil from the Premier Sand of the Grayburg formation. The gas zone is in the Penrose Sand of the Lower Queen formation. We would like to produce the oil through 2" tubing and the gas through the annulus or between the tubing and casing. The oil and gas zones are separated by a Guiberson tension packer set at approximately 1200 feet. This gas zone is open in the Harbold # 16 only.

The Premier Sand oil zone is producing through perforations 1566-74 and 1586-98. The Penrose sand zone is perforated from 1101-11. The gas was tested by Phillips and Pan American and tested for 375 MCF on 24 hour absolute open flow test.

We are requesting an eighty acre spacing for this new gas pool if this meets your approval. As this is not too much gas I do not think it will

DOCKET MAILED

Date 8-7-63

hurt the reservoir on this spacing. To my knowledge there are no other wells producing from this zone in the area and should not create any problems for offset production.

I have attached a plat showing the locations of the gas unit and wells and schematic drawing of the Harbold # 16 as to its completion. We certainly appreciate your indulgence in this matter.

Sincerely yours,

*A. O. Wooden*

*by A. D. Fryman*

P. S. Would like to have this on August 21 hearing.

GOVERNOR  
JACK M. CAMPBELL  
CHAIRMAN

*State of New Mexico*  
**Oil Conservation Commission**



LAND COMMISSIONER  
E. S. JONKIN WALKER  
MEMBER

P. O. BOX 871  
SANTA FE

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

September 27, 1963

Mr. Jason Kellahin  
Kellahin & Fox  
Post Office Box 1713  
Santa Fe, New Mexico

Re: Case No. 2889  
Order No. R-2573  
Applicant:  
A. O. WOODEN

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A handwritten signature in cursive script, reading "A. L. Porter, Jr.".

A. L. PORTER, Jr.  
Secretary-Director

lr/

Carbon copy of order also sent to:

Hobbs OCC       X      

Artesia OCC       X      

Astec OCC                     

OTHER Mr. A. D. Fryman  
220 Carper Building, Artesia, 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 NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:**

**CASE No. 2889  
Order No. R-2573  
NOMENCLATURE**

**APPLICATION OF A. O. WOODEN FOR THE  
CREATION OF A GAS POOL, 80-ACRE SPACING  
THEREFOR, AND A DUAL COMPLETION, EDDY  
COUNTY, NEW MEXICO.**

**ORDER OF THE COMMISSION**

**BY THE COMMISSION:**

This cause came on for hearing at 9 o'clock a.m. on August 21, 1963, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 27th day of September, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 the applicant, A. O. Wooden, is the owner and operator of the Harbold Well No. 16, located in Unit N of Section 26, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico, which well has been dually completed to produce gas from the Penrose sand of the Queen formation through the tubing-casing annulus and to produce oil from the Premier sand of the Grayburg formation, Red Lake Pool, through 2-inch tubing, with separation of zones by a packer set at approximately 1200 feet.

(3) That the applicant seeks approval of said well as a dual completion; applicant further seeks the designation of the Queen formation in this area as a separate common source of gas supply and the creation of an 80-acre non-standard gas unit comprising the SE/4 SW/4 and SW/4 SE/4 of Section 26, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico, to be dedicated to said Harbold Well No. 16.

-2-

CASE No. 2889  
Order No. R-2573

(4) That the mechanics of the dual completion are feasible and in accord with good conservation practices.

(5) That a new gas pool for Queen production should be created comprising the E/2 SW/4 and W/2 SE/4 of Section 26, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico.

(6) That said pool should be developed on 160-acre spacing units, provided, however, that special rules for said gas pool should be promulgated permitting the administrative approval of units other than the standard 160-acre unit by the Secretary-Director.

(7) That a non-standard gas unit comprising the SE/4 SW/4 and SW/4 SE/4 of Section 26, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico, should be approved and dedicated to applicant's Harbold Well No. 16, located in the SE/4 SW/4 of said Section 26.

(8) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That a new pool in Eddy County, New Mexico, classified as a gas pool for Queen production, is hereby created and designated the Red Lake-Queen Gas Pool, consisting of the following-described area:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM  
Section 26: E/2 SW/4 and W/2 SE/4

(2) That Special Rules and Regulations for the Red Lake-Queen Gas Pool are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS  
FOR THE  
RED LAKE-QUEEN GAS POOL

RULE 1. The Secretary-Director of the Commission may grant administrative approval of a non-standard gas unit to be dedicated to a well completed in the Red Lake-Queen Gas Pool or in the Queen formation within one mile of the Red Lake-Queen Gas Pool and not nearer to or within the boundaries of another designated Queen pool, provided said non-standard gas unit consists of less than 160 contiguous surface acres and lies wholly within a single governmental quarter section. To obtain such approval, applicant shall furnish evidence that all operators owning acreage in the quarter section in which the non-standard unit is located have been notified of his intent to form such non-standard unit. The

-3-

CASE No. 2889  
Order No. R-2573

Secretary-Director may approve the application if no objection to the proposed unit is received within 30 days after the Secretary-Director receives the application. He may approve the application immediately upon receipt of waivers from all operators owning acreage in the quarter section in which the non-standard unit is located.

RULE 2. The General Rules and Regulations of the New Mexico Oil Conservation Commission shall in all other respects govern the Red Lake-Queen Gas Pool.

IT IS FURTHER ORDERED:

(1) That the applicant is hereby authorized to complete his Harbold Well No. 16, located in the SE/4 SW/4 of Section 26, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Red Lake-Queen Gas Pool through perforations 1101 to 1111 feet through the tubing-casing annulus, and to produce oil from the Premier sand of the Graybury formation, Red Lake Pool, through perforations 1566 to 1598 feet through 2-inch tubing, with separation of the zones by a packer set at approximately 1200 feet.

(2) That an 80-acre non-standard gas unit in the Red Lake-Queen Gas Pool is hereby created, comprising the SE/4 SW/4 and SW/4 SE/4 of Section 26, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit shall be dedicated to applicant's Harbold Well No. 16, located in the SE/4 SW/4 of said Section 26.

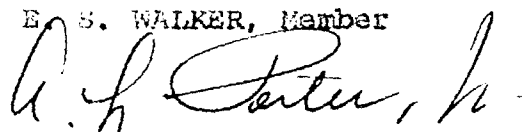
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

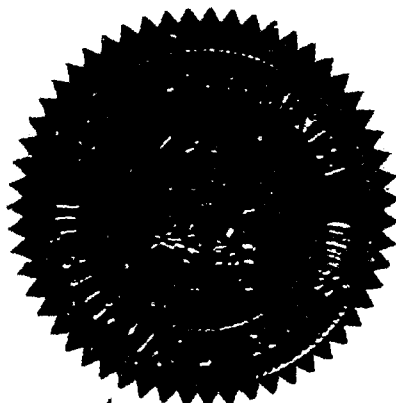
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JACK M. CAMPBELL, Chairman

  
E. S. WALKER, Member

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



esr/

NUMBER OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.S.R.	
LAND OFFICE	
TRANSPORTER	OIL
	SAS
PROBATION OFFICE	
OPERATOR	

**NEW MEXICO OIL CONSERVATION COMMISSION**  
**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

FORM C-128  
Revised 5/1/57

**SECTION A**

Operator A. O. Wooden		Lease Harbold & Trigg		Well No. 16 & 1
Unit Letter N & O	Section 26	Township 17S	Range 27E	County Eddy
Actual Footage Location of Well:				
feet from the		line and	feet from the	line
Ground Level Elev.	Producing Formation Gbr. & Queen	Pool Red Lake	Dedicated Acreage: 80 Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES ☒ NO \_\_\_\_ . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communization agreement or otherwise? YES \_\_\_\_ NO \_\_\_\_ . If answer is "yes," Type of Consolidation \_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

**SECTION B**

<b>BEFORE EXAMINER NUTTER</b> <b>OIL CONSERVATION COMMISSION</b> EXHIBIT NO. <u>2889</u> CASE NO. <u>2889</u>	
<div style="text-align: center;">26</div> <div style="display: flex; justify-content: space-around;"> <div>             L.C. 050158              Harbold #16           </div> <div>             L.C. 054160              Trigg #1           </div> </div> <div style="text-align: center;">A. O. Wooden</div>	
0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0	

**CERTIFICATION**

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Name	<u>P. A. Zyman</u>
Position	
Company	A. O. Wooden
Date	3/1/63

I hereby certify that the well location shown on the plat in SECTION B was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

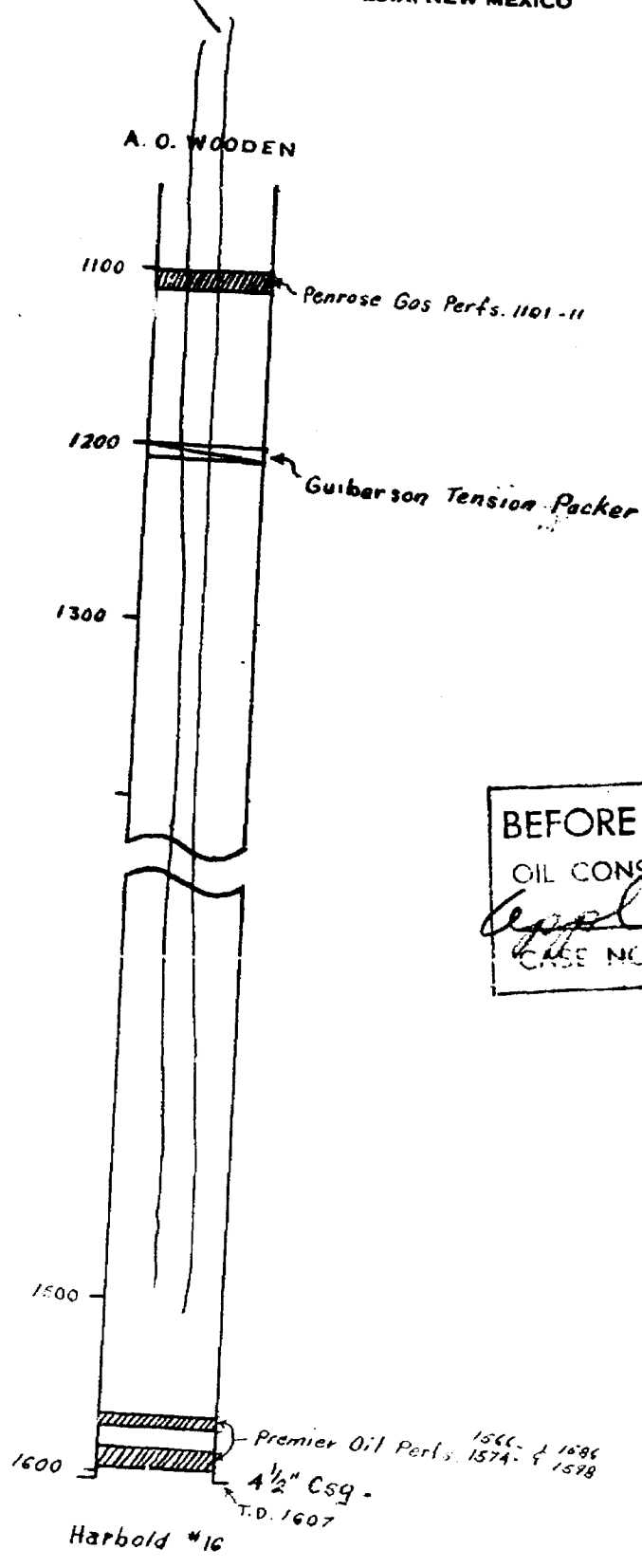
Date Surveyed
Registered Professional Engineer and/or Land Surveyor
Certificate No.

Case 2889

2 inch  
8/19/00  
1500'

A. D. FRYMAN  
Geological and Engineering Service  
304 CARPER BUILDING  
ARTESIA, NEW MEXICO

RECORDED IN 11 22



BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
*Appel* EXHIBIT NO. 2  
CASE NO. 2889

Case 2889

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

EXAMINER HEARING

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1162

SANTA FE, N. M.  
PHONE 963-3971

ALBUQUERQUE, N. M.  
PHONE 243-6151

IN THE MATTER OF: Application of A. O. Wooden )  
for the creation of a gas pool, 80-acre spac- )  
ing therefor, and a dual completion, Eddy )  
County, New Mexico. Applicant, in the above- )  
styled cause, seeks the creation of a Queen gas )  
pool for his Harbold Well No. 16 located in )  
Unit N of Section 26, Township 17 South, Range )  
27 East, Eddy County, New Mexico. Applicant )  
also seeks the establishment of 80-acre spacing )  
for said pool. Applicant further seeks ap- )  
proval of the dual completion (conventional) of )  
the said Harbold Well No. 16 to produce oil )  
from the Premier Sand of the Grayburg formation, )  
Red Lake Pool, through the tubing, and to pro- )  
duce gas from the Penrose sand of the Queen )  
formation through the casing-tubing annulus. )

Case No. 2889

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

August 21, 1963.

MR. NUTTER: We'll call Case 2889.

MR. PAYNE: Application of A. O. Wooden for the creation of a gas pool, 80-acre spacing therefor, and a dual completion, Eddy County, New Mexico.

MR. KELLAHIN: Jason Kellahin, Kellahin & Fox appearing for the Applicant. We have one witness I would like to have sworn, please.

(Witness sworn.)

(Whereupon, Applicant's Exhibits 1 & 2 were marked for identification.)

A. D. FRYMAN

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A A. D. Fryman.

Q By whom are you employed and in what position?

A I am acting as agent in capacity for A. O. Wooden.

Q Are you a consulting engineer?

A Yes, sir, petroleum consultant.

Q Petroleum consultant?

A Yes.



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691

Q As such you are appearing in behalf of A. O. Wooden in this case?

A Yes.

Q Were you employed by him for that purpose?

A Yes.

Q Have you ever testified before the Oil Conservation Commission of New Mexico?

A No, sir.

Q Would you, for the benefit of the Examiner, outline briefly your education and experience as a petroleum engineer?

A Well, I graduated from the Mississippi State College, which is now Mississippi State University I understand, with a B. S. in petroleum geology. And since that time I worked for Lane Wells Company as an engineer, and then I worked with Vilos B. Sheldon, who is a consulting geologist in Artesia, and also Mr. Harvey Yates, and since that time I have been a petroleum consultant on my own.

Q Has most of your experience been in Eddy County and vicinity?

A That's right.

Q How long have you been working down there as a consultant?

A Since June of '56.





DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6631

PAGE 4

Q In connection with your work are you familiar with the Queen Gas Pool in the vicinity of the well that's the subject of this hearing?

A To my knowledge there is no Queen Gas Pool in this. Did I misunderstand the question?

Q The case is advertised as the creation of a Queen Gas Pool for Harbold Well No. 16, that's the pool I had reference to.

A Yes, I am sorry.

Q You are familiar with this area, are you?

A Yes, sir.

Q Generally what type of reservoir is this?

A This is a sand reservoir.

Q Does it have good or average permeability or porosity, or do you know?

A I do not know about the permeability, but the porosity is about 12 to 15%, according to core analysis and logs.

Q Referring to what has been marked as Exhibit No. 1, would you state what that is and discuss the information shown on that?

A This is a plat showing Mr. Wooden's acreage. On this the Harbold No. 16, which is the Southeast Quarter of the Southwest Quarter, excuse me, is the well that is perforated in the lower Queen, which produces the gas. It also produces from



Q In connection with your work are you familiar with the Queen Gas Pool in the vicinity of the well that's the subject of this hearing?

A To my knowledge there is no Queen Gas Pool in this. Did I misunderstand the question?

Q The case is advertised as the creation of a Queen Gas Pool for Harbold Well No. 16, that's the pool I had reference to.

A Yes, I am sorry.

Q You are familiar with this area, are you?

A Yes, sir.

Q Generally what type of reservoir is this?

A This is a sand reservoir.

Q Does it have good or average permeability or porosity, or do you know?

A I do not know about the permeability, but the porosity is about 12 to 15%, according to core analysis and logs.

Q Referring to what has been marked as Exhibit No. 1, would you state what that is and discuss the information shown on that?

A This is a plat showing Mr. Wooden's acreage. On this the Harbold No. 16, which is the Southeast Quarter of the Southwest Quarter, excuse me, is the well that is perforated in the lower Queen, which produces the gas. It also produces from



the lower Grayburg-Premier sand as an oil well. The well in the Southwest of the Southeast is a Premier sand well, oil well.

Q Has the well been completed?

A Yes.

Q Referring to what has been marked as Exhibit No. 2, would you discuss the information shown on that exhibit?

A This shows the completion of the Harbold No. 16 well. There is 4- $\frac{1}{2}$ " casing set all the way through the Grayburg, which is total depth of the well is 1607 feet, and we have perforated in the Grayburg, or from 1566 to 1574 and 1586 to 1598 and this produces oil. Then we have a Giberson packer set at approximately 1200 feet.

MR. NUTTER: What kind of packer was that?

A Giberson tension packer. The Penrose sand is perforated from 1101 to 1111. This gas is tested both by Phillips and Pan American, and on absolute open flow it tested approximately 350,000 cubic feet of gas per day.

Q Do you have a market for the gas?

A Yes, sir, Pan American Petroleum.

Q Is it presently connected?

A Not at the present time. It was connected, but not connected at the present time.

Q But it will be connected upon approval of this appli-



cation.

Q How are the two zones produced in this well?

A The oil zone of the Premier sand is produced through tubing, and the gas is produced through the tubing-casing annulus.

Q Does the type of completion you have used, in your opinion effectively separate the two producing horizons?

A Absolutely.

Q Are all of the other zones involved in this area, if any, protected by this completion?

A Absolutely.

Q There would be no commingling between zones, is that correct?

A That's correct.

Q Is this a type of dual completion that has heretofore been approved by the Commission?

A I believe so.

Q With reference to the acreage dedication, Mr. Fryman, what do you propose?

A 80-acre spacing. No more gas than the zone will make, I don't believe it is necessary to raise the spacing or have larger spacing.

Q You understand that the present statewide rules would provide for 160-acre spacing for gas?



A Yes, sir.

Q You want that reduced to 80 acres in this instance, is that correct?

A Yes.

Q In your opinion will the well effectively and economically drain the 80 acres that you propose to dedicate to it?

A Yes.

Q As to the oil zone, what do you propose to do, dedicate 40 acres to it, is that right?

A Yes, under the present field rules.

Q There would be no change there?

A No, sir.

Q Do you have a market for the oil or is it being trucked or piped out, or what?

A At the present time it's being trucked.

Q Is this a new field insofar as the Queen Gas Pool is concerned?

A Yes, sir.

Q Do you ask for a pool to be created for the purposes of allocation of an allowable to this well?

A Yes.

Q What do you propose that that pool would consist of, would it be the same as the unit?



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691

A That is right.

Q Were Exhibits 1 and 2 prepared by you or under your supervision?

A Yes, sir.

MR. KELLAHIN: At this time I would like to offer in evidence Exhibits 1 and 2.

MR. NUTTER: Applicant's Exhibits 1 and 2 will be admitted in evidence.

(Whereupon, Applicant's Exhibits 1 and 2 were offered and admitted in evidence.)

MR. KELLAHIN: I have no further questions of the witness.

MR. NUTTER: Any questions of Mr. Fryman?

CROSS EXAMINATION

BY MR. NUTTER:

Q You stated that this well was connected but isn't at the present time and that Pan American is the purchaser. Is this gas going to the gasoline plant in the Empire-Abo Pool?

A Yes.

Q Is this a sweet gas?

A Yes, sir.

Q What is the gas-liquid ratio here, Mr. Fryman?

A Mr. Nutter, I am real sorry but I just can't remember



LEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 993-3971

ALBUQUERQUE, N. M.  
PHONE 243-1691

what it was.

Q Does it make liquid?

A Very, very little. You might as well say it is practically a dry gas.

Q Do you have a gas-liquid ratio?

A Yes.

Q Has it been determined?

A Yes.

Q Would you furnish that to us as soon as you get back to your office?

A I surely will.

Q There has been some sentiment by various persons in this Red Lake area?

A Yes, sir.

Q To combine the Queen sand with the Grayburg?

A That's what I understand.

Q And form one pool. What is your opinion regarding this?

A I think, myself, it's a real good idea because I just don't believe no more than the wells produce, I don't see any, I can't see any reason for not combining them.

Q Well, you are seeking the creation of a separate pool here, however?

A I understand that this is what we have to do this



DEARNLEY-MEIER REPORTING SERVICE, Inc.  
 FARMINGTON, N. M.  
 PHONE 325-1182  
 SANTA FE, N. M.  
 PHONE 983-3971  
 ALBUQUERQUE, N. M.  
 PHONE 243-6691

morning. I would really rather it would be commingled and considered as one pool. I must be contradicting myself, but the operator wants to produce the gas so bad because the oil is, he doesn't make too much oil and he really wants to sell that gas, so he wants to get it on the market.

Q How does the Queen sand occur in the area, is it a blanket sand?

A Yes, sir.

Q Is the porosity a blanket porosity or does it just come in and out?

A Undoubtedly it is a stratigraphic trap and it must come in and out. As you know, the north of the Red Lake Pool we have the Vandergriff Keys that produces gas there, and as we come down in places it will produce oil and to the south of us it produces oil. So undoubtedly it is permeability and porosity blocks.

Q What is the nearest Queen production to this particular well here?

A I think there was one recently completed about two miles south.

Q Is that an oil well or gas well?

A That's an oil well.

Q It's an oil well?





DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691

A Yes, sir.

MR. PORTER: Is this Vandergriff Keys a Queen Gas Pool?

A Yes, sir.

Q (By Mr. Nutter) How far away is the Vandergriff Keys?

A Approximately eight to ten miles.

Q This is east to the Vandergriff Keys?

A This is south, a little bit west.

Q South and west?

A Yes.

MR. PORTER: You don't think there's any possibility of the two being connected?

A I don't believe so.

Q (By Mr. Nutter) Do you have any estimates of the reserves of gas that this well is in connection with?

A No, sir, I sure don't at the present time.

Q What's the pressure here?

A I believe it's about 300 psi, I believe.

Q What's the thickness of the pay, the Queen?

A Approximately ten or twelve feet.

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

(Witness excused.)



MR. NUTTER: Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: That's all I have, Mr. Nutter.

MR. NUTTER: Does anyone have anything they wish to offer in Case 2889? We'll take the case under advisement.

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) SS

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.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 13th day of September, 1963.

*Ada Dearnley*  
Notary Public-Court Reporter

My commission expires:  
June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examination hearing of Case No. 2889 heard by me on 8/21, 1965.

*[Signature]*, Examined  
New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691



**DEARNLEY-MEIER REPORTING SERVICE, Inc.**

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691

MR. NUTTER: Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: That's all I have, Mr. Nutter.

MR. NUTTER: Does anyone have anything they wish to offer in Case 2889? We'll take the case under advisement.

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) SS

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.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 13th day of September, 1963.

*Ada Dearnley*  
Notary Public-Court Reporter

My commission expires:  
June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing Case No. **2889** heard by me on **8/21**, 19**63**.  
*[Signature]*, Examiner  
New Mexico Oil Conservation Commission



DRAFT

DSN/esr  
Sept. 24, 1963

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. 2889

Order No. R-2573

APPLICATION OF A. O. WOODEN FOR THE  
CREATION OF A GAS POOL, 80-ACRE SPACING  
THEREFOR, AND A DUAL COMPLETION, EDDY  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on  
August 21, 1963, at Santa Fe, New Mexico, before Daniel S. Nutter,  
Examiner duly appointed by the Oil Conservation Commission of New  
Mexico, hereinafter referred to as the "Commission," in accordance  
with Rule 1214 of the Commission Rules and Regulations.

NOW, on this \_\_\_\_\_ day of September, 1963, the Commission,  
a quorum being present, having considered the application, the  
evidence adduced, and the recommendations of the Examiner,  
Daniel S. Nutter, 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 the applicant, A. O. Wooden, is the owner and  
operator of the Harbold Well No. 16, located in Unit N of Section  
26, Township 17 South, Range 27 East, NMPM, Eddy County, New  
Mexico, which well has been dually completed to produce gas from  
the Penrose sand of the Queen formation through the tubing-casing  
annulus and to produce oil from the Premier sand of the Grayburg  
formation, Red Lake Pool, through 2-inch tubing, <sup>with</sup> separation of  
the zones by a packer set at approximately 1200 feet.

(3) That the applicant seeks approval of said well as a dual  
completion; applicant further seeks the designation of the Queen  
formation in this area as a separate common source of gas supply  
and the creation of an 80-acre non-standard gas unit comprising

the SE/4 SW/4 and SW/4 SE/4 of Section 26, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico, to be dedicated to said Harbold Well No. 16.

(4) That the mechanics of the dual completion are feasible and in accord with good conservation practices.

(5) That a new gas pool for Queen production should be created comprising the E/2 SW/4 and W/2 SE/4 of Section 26, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico.

(6) That said pool should be developed on 160-acre spacing units, provided, however, that special rules for said gas pool should be promulgated permitting the administrative approval of units other than the standard 160-acre unit by the Secretary-Director.

(7) That a non-standard gas unit comprising the SE/4 SW/4 and SW/4 SE/4 of Section 26, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico, should be approved and dedicated to applicant's Harbold Well No. 16, located in the SE/4 SW/4 of said Section 26.

(8) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That a new pool in Eddy County, New Mexico, classified as a gas pool for Queen production, is hereby created and designated the Red Lake-Queen Gas Pool, consisting of the following-described area:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM  
Section 26: E/2 SW/4 and W/2 SE/4

(2) That Special Rules and Regulations for the Red Lake Queen Gas Pool are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS  
FOR THE  
RED LAKE QUEEN GAS POOL

RULE 1. The Secretary-Director of the Commission may grant administrative approval <sup>of a</sup> ~~to any~~ non-standard gas unit to be dedicated to a well completed in the Red Lake-Queen Gas Pool or in the Queen formation within one mile of the Red Lake Queen Gas Pool and not

nearer to or within the boundaries of another designated Queen pool, provided said non-standard gas unit consists of less than 160 contiguous surface acres and lies wholly within a single governmental quarter section. To obtain such approval, applicant shall furnish evidence that all operators owning acreage in the quarter section in which the non-standard unit is located have been notified of his intent to form such non-standard unit. The Secretary-Director may approve the application if no objection to the proposed unit is received within 30 days after the Secretary-Director receives the application. He may approve the application immediately upon receipt of waivers from all operators owning acreage in the quarter section in which the non-standard unit is located.

RULE 2. The General Rules and Regulations of the New Mexico Oil Conservation Commission shall in all other respects govern the Red Lake Queen Gas Pool.

*It is Further Ordered:*

(1)(2) That the applicant is hereby authorized to complete his Harbold Well No. 16, located in the SE/4 SW/4 of Section 26, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Red Lake Queen Gas Pool through perforations <sup>at approximately</sup> 1101 to 1111 feet through the tubing-casing annulus, and to produce oil from the Premier sand of the Grayburg formation, Red Lake Pool, <sup>at approximately</sup> through perforations 1566 to 1598 feet <sup>with</sup> through 2-inch tubing, <sup>with</sup> separation of the zones by a packer set at approximately 1200 feet.

(2)(4) That an 80-acre non-standard gas unit in the Red Lake Queen Gas Pool is hereby created, <sup>comprising</sup> ~~said unit to comprise~~ the SE/4 SW/4 and SW/4 SE/4 of Section 26, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit shall be dedicated to applicant's Harbold Well No. 16, located in the SE/4 SW/4 of said Section 26.

(3) 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.