

RECEIVED

Case No.

1690

Application, Transcript,
Small Exhibits, Etc.

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. 1690
Order No. R-1425

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION UPON
ITS OWN MOTION FOR AN ORDER
EXTENDING CERTAIN POOLS IN
SAN JUAN, SANDOVAL, AND RIO
ARRIBA COUNTIES, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 9, 1959, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW on this 18th day of June, 1959, 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 certain extensions to the West Kuts-Pictured Cliffs Pool, the Bisti-Lower Gallup Oil Pool, the Chimney Rock-Gallup Oil Pool, the Horseshoe-Gallup Oil Pool, and to the Verde-Gallup Oil Pool, all in San Juan County; to the South Blanco-Pictured Cliffs Pool in Rio Arriba and San Juan Counties; and to the Ballard-Pictured Cliffs Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico. Further, that the proposed extension to the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, should be dismissed to permit further study.

IT IS THEREFORE ORDERED:

(a) That the Ballard-Pictured Cliffs Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM
Section 31: N/2

TOWNSHIP 25 NORTH, RANGE 7 WEST, NMPM
Section 31: N/2

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by [illegible]
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Case No. 1690
Order No. R-1425

(b) That the South Blanco-Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM
Section 7: W/2

(c) That the West Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM
Section 20: SW/4

(d) That the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM
Section 11: N/2 NE/4

(e) That the Chimney Rock-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 31 NORTH, RANGE 17 WEST, NMPM
Section 3: SW/4 SW/4
Section 10: NW/4 and N/2 SW/4

(f) That the Horseshoe-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM
Section 2: NW/4 NW/4
Section 14: N/2 N/2

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM
Section 19: S/2 NW/4
Section 34: SE/4 SE/4
Section 35: SW/4 SW/4

(g) That the proposed extension to the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, to include therein:

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Case No. 1690
Order No. R-1425

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 27: S/2 SW/4
Section 28: SE/4 and SE/4 NE/4
Section 33: NE/4 NE/4
Section 33: N/2
Section 34: N/2
Section 35: SW/4 NW/4 and NW/4 SW/4

be and the same is hereby dismissed.

(h) That the Verde-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM

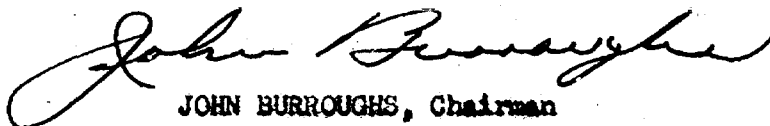
Section 21: W/2 NW/4

IT IS FURTHER ORDERED:


That the effective date of this order and of all the extensions included herein shall be July 1, 1959.

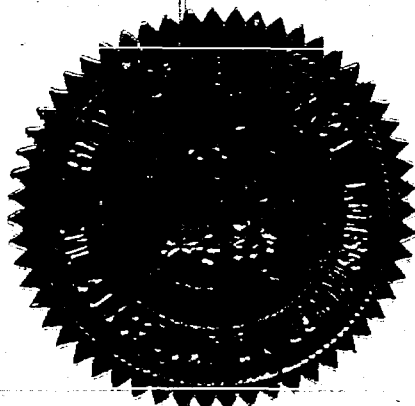
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURHAY E. MORGAN, Member


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



ven/

DOCKET: REGULAR HEARING JUNE 9, 1959

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, New Mexico

- ALLOWABLE:
- (1) Consideration of the oil allowable for July, 1959.
 - (2) Consideration of the allowable production of gas for July, 1959, for six prorated pools in Lea County, New Mexico; consideration of the allowable production of gas from seven prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for July, 1959, and also presentation of purchaser's nominations for the six-month period beginning August 1, 1959, for seven prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico.

CONTINUED CASES

- CASE 1522: Application of General Petroleum, Inc., for an amendment to Order No. R-1299. Applicant, in the above-styled cause, seeks an order amending Order No. R-1299 to provide that any merchantable oil recovered from sediment oil shall not be charged against the allowable for wells on the originating lease, which amendment would revise Rule 311.
- CASE 1569: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the promulgation of an order prohibiting the flaring of casinghead gas from oil wells in San Juan, Rio Arriba, McKinley and Sandoval Counties, New Mexico.

NEW CASES

- CASE 1691: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider amending Rule 107 of the Commission Rules and Regulations to provide that in certain instances "slim hole" completions may be approved without notice and hearing.
- CASE 1689: Southeastern New Mexico Nomenclature Case calling for an Order creating new pools and extending existing pools in Lea, Chaves and Eddy Counties, New Mexico.

- (a) Create a new oil pool for San Andres production, designated as the Four Mile Draw-San Andres Pool, and described as:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 3: SW/4

- (b) Create a new Gas pool for Ellenburger production, designated as the Little Lucky-Ellenburger Gas Pool, and described as:

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
Section 29: NE/4

- (c) Create a new gas pool for Pennsylvanian production, designated as the Los Medanos-Pennsylvanian Gas Pool, and described as:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 36: SE/4

- (d) Create a new oil pool for Bone Springs production, designated as the Querecho Plains-Bone Springs Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 27: SW/4

- (e) Create a new gas pool for Atoka production, designated as the Sombrero-Atoka Gas Pool, and described as:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 12: W/2
Section 13: NW/4

- (f) Create a new oil pool for Delaware production, designated as the Tecolote Peak-Delaware Pool, and described as:

TOWNSHIP 26 SOUTH, RANGE 28 EAST, NMPM
Section 34: NW/4

- (g) Create a new oil pool for Grayburg production, designated as the West Millman-Grayburg Pool, and described as:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 12: SW/4

- (h) Create a new oil pool for San Andres production, designated as the Windmill-San Andres Pool, and described as:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM
Section 9: SE/4

- (i) Extend the Blinebry Gas Pool to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 33: NW/4

- (j) Extend the Culwin Pool to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 36: SE/4

- (k) Extend the Grayburg Jackson Pool to include therein:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM
Section 10: SE/4

- (l) Extend the High Lonesome Pool to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
Section 11: SE/4

- (m) Extend the Langlie Mattix Pool to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 22: NW/4

- (n) Extend the Red Lake Pool to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 1: NE/4

- (o) Extend the South Vacuum-Devonian Pool to include therein:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 26: W/2
Section 27: SE/4

- (p) Extend the Warren-Blinebry Gas Pool to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 28: NE/4

- (q) Extend the Warren Tubb Gas Pool to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 28: NE/4

- (r) Extend the Weir Pool to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 15: SE/4

CASE 1690:

Northwestern New Mexico Nomenclature Case calling for an order extending existing pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico.

- (a) Extend the Ballard-Pictured Cliffs Pool to include therein:

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM
Section 31: N/2

TOWNSHIP 25 NORTH, RANGE 7 WEST, NMPM
Section 31: N/2

- (b) Extend the South Blanco-Pictured Cliffs Pool to include therein:

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM
Section 7: W/2

- (c) Extend the West Kutz-Pictured Cliffs Pool to include therein:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM
Section 20: SW/4

- (d) Extend the Bisti-Lower Gallup Oil Pool to include therein:

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM
Section 11: N/2 NE/4

- (e) Extend the Chimney Rock-Gallup Oil Pool to include therein:

TOWNSHIP 31 NORTH, RANGE 17 WEST, NMPM
Section 3: SW/4 SW/4
Section 10: NW/4 & N/2 SW/4

(f) Extend the Horseshoe-Gallup Oil Pool to include therein:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM

Section 2: NW/4 NW/4

Section 14: N/2 N/2

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM

Section 19: S/2 NW/4

Section 34: SE/4 SE/4

Section 35: SW/4 SW/4

(g) Extend the Otero-Gallup Oil Pool to include therein:

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 27: S/2 SW/4

Section 28: SE/4 & SE/4 NE/4

Section 32: NE/4 NE/4

Section 33: N/2

Section 34: N/2

Section 35: SW/4 NW/4 & NW/4 SW/4

(h) Extend the Verde-Gallup Oil Pool to include therein:

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM

Section 21: W/2 NW/4

GOVERNOR
JOHN BURROUGHS
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
MURRAY E. MORGAN
MEMBER

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

1200 RIO BRAZOS ROAD
AZTEC

May 11, 1959

Mrs. Ida Rodriguez
New Mexico O C C
Box 871
Santa Fe, New Mexico

Dear Ida:

Attached are the extension paragraphs for the June nomenclature case for northwest New Mexico.

There are extensions as follows:

RIO ARRIBA COUNTY
Otero-Gallup Oil Pool

SAN JUAN COUNTY
West Kutz-Pictured Cliffs Pool
Bisti-Lower Gallup Oil Pool
Chimney Rock-Gallup Oil Pool
Horseshoe-Gallup Oil Pool
Verde-Gallup Oil Pool

RIO ARRIBA AND SAN JUAN COUNTIES
South Blanco-Pictured Cliffs Pool

RIO ARRIBA, SANDOVAL, AND SAN JUAN COUNTIES
Ballard-Pictured Cliffs Pool

There will be no creations.
The exhibit and order will be in the same order as indicated on the attached pages.

Yours very truly,

al
A. R. Kendrick
Engineer, District #3

ARK/is
Attachments

in (a) Extend the Ballard - Pictured Cliffs Pool boundary
Rio Arriba, Sandoval, Count las, New Mexico, to include therein:
& San Juan

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPL. ✓
Section 31: N/2

TOWNSHIP 25 NORTH, RANGE 7 WEST, NMPL.
Section 31: N/2

based on:

EPNG #70 Canyon Largo Unit
A-31-25N-6W
AOF 486 MCFPD; SICP 630#/10 days

EPNG #79 Canyon Largo Unit
D-31-25N-7W
AOF 1877 MCFPD; SICP 601#/8 days

(b) Extend the South Blanco - Pictured Cliffs Pool boundary
in Rio Arriba Count les, New Mexico, to include therein:
and San Juan

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM.
Section 7: W/2
SECTION

Based on:

EPNG #46 SJU 27-5
M-7-27H-5H
AOF 2199 MCFPD; SICP 1075#7 days

(c) Extend the West Kutz - Pictured Cliffs Pool boundary
In San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPH,
Section 20: SW/4

Based on:

Frank Yockey #4 Yockey
K-20-27N-11W
IP 1286 MCFPD

(d) Extend the Bisti - Lower Gallup Oil Pool boundary

In San Juan Count Y, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPH.
Section 11: N/2 NE/4

Based on:

Standard Oil Company of Texas #11-1 Federal - 11
A-11-24N-10W
1P 100 BOPD

(e) Extend the Chimney Rock - Gallup Oil Pool boundary
In San Juan Count Y, New Mexico, to include therein:

TOWNSHIP 31 NORTH, RANGE 17 WEST, NMPH.
Section 3: SW/4 SW/4
Section 10: NW/4 & N/2 SW/4

Based on:

Humble #10 Indians "F"
M-3-31N-17W
IP 23 BOPD

Humble #8 Indian "F"
E-10-31N-17W
IP 71 BOPD

Humble #9 Indians "F"
K-10-31N-17W
IP 124 BOPD

(f) Extend the Horseshoe - Gallup Oil Pool boundary

In San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPH,
Section 2: NW/4 NW/4
Section 14: N/2 N/2

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPH,
Section 19: S/2 NW/4
Section 34: SE/4 SE/4
Section 35: SW/4 SW/4

Based on:

Pan American #1 Lommori "A"
A-14-30N-16W
IP 1488 BOPD

Pan American #1 J. W. Aldlin "B"
D-14-30N-16W
IP 72 BOPD

Atlantic #5 Navajo "B"
F-19-31N-16W
IP 21 BOPD

Atlantic #2 Ute
M-35-31N-16W
IP 88 BOPD

(8) Extend the Otero - Gallup Oil

Pool boundary

In Alto Arriba

Count Y

, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPH,

Section 27: S/2 SW/4

Section 28: SE/4 & SE/4 NE/4

Section 32: NE/4 NE/4

Section 33: N/2

Section 34: N/2

Section 35: SW/4 NW/4 & NW/4 SW/4

Based on:

Skelly #23 Jicarilla "C"

H-27-25N-5W

IP 60 BOPD

Skelly #18 Jicarilla "C"

H-28-25N-5W

IP 100 BOPD

Skelly #21 Jicarilla "C"

J-28-25N-5W

IP 24 BOPD

Skelly #20 Jicarilla "C"

D-33-25N-5W

IP 31 BOPD

Skelly #22 Jicarilla "C"

H-33-25N-5W

IP 87 BOPD

Skelly #16 Jicarilla "C"

D-34-25N-5W

IP 192 BOPD

San American #1 Jicarilla 35

L-35-25N-5W

IP 39 BOPD

(h) Extend the Verde - Gallup Oil

Pool boundary

In San Juan County, New Mexico, to include therein:

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPH,
Section 21: W/2 NW/4

Based on:

Magnolia #2 Ute Mountain
E-21-31N-14W
IP 135 BOPD

Recommendations for the nomenclature case for Northwest New Mexico for the June hearing, 1959:

- (a) Extend the Ballard-Pictured Cliffs Pool boundary in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPH
Section 31: N/2

TOWNSHIP 25 NORTH, RANGE 7 WEST, NMPH
Section 31: N/2

based on:

EPNG #70 Canyon Largo Unit
A-31-25N-6W
AOF 486 MCFPD; SICP 630#/10 days

EPNG #79 Canyon Largo Unit
D-31-25N-7W
AOF 1877 MCFPD; SICP 601#/8 days

- (b) Extend the South Blanco-Pictured Cliffs Pool boundary in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPH
Section 7: W/2

based on:

EPNG #46 SJU 27-5
M-7-27N-5W
AOF 2199 MCFPD; SICP 1075#/7 days

- (c) Extend the West Kutz-Pictured Cliffs Pool boundary in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPH
Section 20: SW/4

based on:

Frank Yockey #4 Yockey
K-20-27N-11W
IP 1286 MCFPD

- (d) Extend the Bisti-Lower Gallup Oil Pool boundary in San Juan County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPH
Section 11: N/2 NE/4

based on:

Standard Oil Company of Texas #11-1 Federal - 11
A-11-24N-10W
IP 100 BOPD

- (e) Extend the Chimney Rock-Gallup Oil Pool boundary in San Juan County, New Mexico, to include therein:

Case No. 1690

TOWNSHIP 31 NORTH, RANGE 17 WEST, NMPM

Section 3: SW/4 SW/4

Section 10: NW/4 & N/2 SW/4

based on:

Humble #10 Indians "F"

M-3-31N-17W

IP 23 BOPD

Humble #8 Indians "F"

E-10-31N-17W

IP 71 BOPD

Humble #9 Indians "F"

K-10-31N-17W

IP 124 BOPD

- (f) Extend the Horseshoe-Gallup Oil Pool boundary in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM

Section 2: NW/4 NW/4

Section 14: N/2 N/2

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM

Section 19: S/2 NW/4

Section 34: SE/4 SE/4

Section 35: SW/4 SW/4

based on:

Pan American #1 Lomori "A"

A-14-30N-16W

IP 1488 BOPD

Pan American #1 J. W. Aidlin "B"

D-14-30N-16W

IP 72 BOPD

Atlantic #5 Navajo "B"

F-19-31N-16W

IP 21 BOPD

Atlantic #2 Ute

M-35-31N-16W

IP 88 BOPD

- (g) Extend the Otero-Gallup Oil Pool boundary in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 27: S/2 SW/4

Section 28: SE/4 & SE/4 NE/4

Section 32: NE/4 NE/4

Section 33: N/2

Section 34: N/2

Section 35: SW/4 NW/4 & NW/4 SW/4

based on:

Skelly #23 Jicarilla "C"

N-27-25N-5W

IP 60 BOPD

Skelly #18 Jicarilla "C"

H-28-25N-5W

IP 100 BOPD

Continue

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Case No. 1640

Skelly #21 Jicarilla "C"
J-28-25N-5W
IP 24 BOPD

Skelly #20 Jicarilla "C"
D-33-25N-5W
IP 31 BOPD

Skelly #22 Jicarilla "C"
H-33-25N-5W
IP 87 BOPD

Skelly #16 Jicarilla "C"
D-34-25N-5W
IP 192 BOPD

Pan American #1 Jicarilla 35
L-35-25N-5W
IP 39 BOPD

- (h) Extend the Verde-Gallup Oil Pool boundary in San Juan County, New Mexico, to include therein:

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM
Section 21: W/2 NW/4

based on:

Magnolia #2 Ute Mountain
E-21-31N-14W
IP 135 BOPD

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:
CASE 1690

TRANSCRIPT OF HEARING

JUNE 9, 1959

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone CHapel 3-6691

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
JUNE 9, 1959

IN THE MATTER OF:

CASE 1690: Northwestern New Mexico Nomenclature Case calling:
for an order extending existing pools in San
Juan, Rio Arriba and Sandoval Counties, New Mex-
ico.

(a) Extend the Ballard-Pictured Cliffs Pool to
include therein:

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM
Section 31: N/2

TOWNSHIP 25 NORTH, RANGE 7 WEST, NMPM
Section 31: N/2

(b) Extend the South Blanco-Pictured Cliffs Pool
to include therein:

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM
Section 7: W/2

(c) Extend the West Kutz-Pictured Cliffs Pool to
include therein:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM
Section 20: SW/4

(d) Extend the Bisti-Lower Gallup Oil Pool to
include therein:

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM
Section 11: N/2 NE/4

(e) Extend the Chimney Rock-Gallup Oil Pool to
include therein:

TOWNSHIP 31 NORTH, RANGE 17 WEST, NMPM
Section 3: SW/4 SW/4
Section 10: NW/4 & N/2 SW/4

(f) Extend the Horseshoe-Gallup Oil Pool to include therein:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM

Section 2: NW/4 NW/4

Section 14: N/2 N/2

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM

Section 19: S/2 NW/4

Section 34: SE/4 SE/4

Section 35: SW/4 SW/4

(g) Extend the Otero-Gallup Oil Pool to include therein:

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 27: S/2 SW/4

Section 28: SE/4 & SE/4 NE/4

Section 32: NE/4 NE/4

Section 33: N/2

Section 34: N/2

Section 35: SW/4 NW/4 & NW/4 SW/4

(h) Extend the Verde-Gallup Oil Pool to include therein:

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM

Section 21: W/2 NW/4

BEFORE:

Mr. A. L. Porter
Mr. Murray Morgan
Gov. John Burroughs

T R A N S C R I P T O F P R O C E E D I N G S

MR. PORTER: We will take up next the Nomenclature Case for the Northwest, Case 1690.

MR. PAYNE: Case 1690. Northwestern New Mexico Nomenclature Case calling for an order extending existing pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico.

Mr. Buell, do you have something you want to say?

MR. BUELL: Yes, sir. Pan American is interested in Paragraph (g) of this case. That is the paragraph relating to the proposed extension of the Otero-Gallup Oil Pool. In the proposed extension area Pan American operates the Jicarilla Tribal "35" Well No. 1, which is located in the NW/4 of the SW/4 of Section 35, Township 25 North, Range 5 West. Pan American feels that the facts surrounding the Jicarilla Tribal "35" Well No. 1 will justify the Commission in granting an exception to this well to its rules and orders requiring the saving of casinghead gas. As had been discussed here today, in the Otero Pool there is now a pool rule that prevents flaring. In order that we may have an opportunity to present these facts to the Commission, facts that we feel will justify an exception, I would like to move that the Commission continue the consideration of Paragraph (g) of this case until the regular July hearing. That will give us an opportunity to request a hearing, and have a hearing on this well prior to the Commission acting on this proposed extension.

MR. PORTER: Is there any objection to Mr. Buell's motion for a continuance of Paragraph (g) to the regular July hearing date? The Commission will continue Paragraph (g) of Case 1690 to the regular July hearing.

MR. BUELL: Thank you very much.

(Witness sworn)

A. R. KENDRICK,

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
Phone CHapel 3-6691

5
called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. PAYNE:

Q Will the witness please state his name and position?

A A. R. Kendrick, engineer for the Oil Conservation Commission.

Q Mr. Kendrick, in your official capacity with the Oil Conservation Commission, have you made a study concerning the necessity or desirability for extending existing pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico?

A I have.

Q What are your recommendations concerning extension of the Ballard-Pictured Cliffs Pool?

A I recommend the Ballard-Pictured Cliffs be extended as shown in Paragraph (a) of Exhibit 1, on the basis of two wells capable of producing from that pool.

Q What are your recommendations concerning extension of the South Blanco-Pictured Cliffs Pool?

A I recommend that pool be extended as shown in Paragraph (b) of Exhibit 1, on the basis of one well capable of producing from that pool.

Q What are your recommendations concerning extension of the West Kutz-Pictured Cliffs Pool?

A I recommend that pool be extended as shown in Paragraph

(c) of Exhibit 1, on the basis of one well capable of producing from that pool.

Q What are your recommendations concerning extension of the Bisti-Lower Gallup Oil Pool?

A I recommend the Bisti-Lower Gallup be extended as shown in Exhibit 1, Paragraph (d), on the basis of one well capable of producing from that pool.

Q What are your recommendations concerning extension of the Chimney Rock-Gallup Oil Pool?

A I recommend that pool be extended as shown in Exhibit 1, Paragraph (e), on the basis of three wells capable of producing from that pool.

Q What are your recommendations concerning extension of the Horseshoe-Gallup Oil Pool?

A I recommend that pool be extended as shown in Paragraph (f) of Exhibit 1, on the basis of four wells capable of producing from that pool.

Q What are your recommendations concerning extension of the Verde-Gallup Oil Pool?

A I recommend the Verde-Gallup Oil Pool be extended as shown in Paragraph (h) of Exhibit 1, on the basis of one well capable of producing from that pool.

Q Mr. Kendrick, have you prepared an Exhibit substantiating your recommendations?

A I have.

Q How is that designated?

A Commission's Exhibit No. 1, Case 1690.

MR. PAYNE: Mr. Commissioner, I move for the introduction of Exhibit 1 in 1690.

MR. PORTER: Without objection, it will be admitted. Anyone have a question of Mr. Kendrick? You may be excused.

(Witness excused)

MR. PORTER: If nothing further in this case, we will take it under advisement, and the hearing is recessed.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I, J. A. Trujillo, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript by me, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this, the 18th day of June, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Joseph A. Trujillo
NOTARY PUBLIC

My Commission Expires:
October 5, 1960