

CASE 3529:

NORTHWESTERN NEW MEXICO

NOMENCLATURE

CASE NO.
3529

Application,
TRANSCRIPTS,
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 THE STATE OF
NEW MEXICO FOR THE PURPOSE
OF CONSIDERING:

CASE No. 3529
Order No. R-3196

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING CERTAIN POOLS IN SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 15, 1967, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 20th day of February, 1967, 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 gas pool in San Juan County, New Mexico, for the production of gas from the Fruitland formation, said pool to bear the designation of Pinon-Fruitland Pool. Said Pinon-Fruitland Pool was discovered by Pan American Petroleum Corporation, Gallegos Canyon Unit Well No. 220, located in Unit I of Section 13, Township 28 North, Range 12 West, NMPM. It was completed in Fruitland on May 31, 1966. The top of the perforations is 1,242 feet.

(3) That there is need for the creation of a new gas pool in San Juan County, New Mexico, for the production of gas from the

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CASE No. 3529

Order No. R-3196

Gallup formation, said pool to bear the designation of Ojo-Gallup Pool. Said Ojo-Gallup Pool was discovered by Exploration Drilling, Inc., Navajo Well No. 1, located in Unit D of Section 26, Township 28 North, Range 15 West, NMPM. It was completed in Gallup on November 9, 1961. The top of perforations is 4,524 feet.

(4) That there is need for the creation of a new oil pool in San Juan County, New Mexico, for the production of oil from the Dakota formation. Said pool to bear the designation of Slick Rock-Dakota Oil Pool. Said Slick Rock-Dakota Oil Pool was discovered by Claude C. Kennedy, Deb Well No. 2-X, located in Unit P of Section 36, Township 30 North, Range 17 West, NMPM. It was completed in Dakota on December 7, 1966. The top of perforations is 752 feet.

IT IS THEREFORE ORDERED:

(a) That a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland production, is hereby created and designated as the Pinon-Fruitland Pool, consisting of the following-described area:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
Section 18: NW/4

TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM
Section 13: N/2 and SE/4

(b) That a new pool in San Juan County, New Mexico, classified as a gas pool for Gallup production, is hereby created and designated as the Ojo-Gallup Pool, consisting of the following-described area:

TOWNSHIP 28 NORTH, RANGE 14 WEST, NMPM
Section 31: S/2

TOWNSHIP 28 NORTH, RANGE 15 WEST, NMPM
Section 26: N/2 and SE/4
Section 35: NE/4
Section 36: N/2 and SE/4

(c) That a new pool in San Juan County, New Mexico, classified as an oil pool for Dakota production, is hereby created and

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designated as the Slick Rock-Dakota Oil Pool, consisting of the following-described area:

TOWNSHIP 30 NORTH, RANGE 17 WEST, NMPM
Section 36: S/2 SE/4


IT IS FURTHER ORDERED:

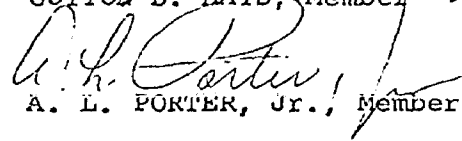
That the effective date of this order and all creations included herein shall be March 1, 1967.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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

S E A L

esr/

Docket No. 5-67

DOCKET: REGULAR HEARING - WEDNESDAY - FEBRUARY 15, 1967

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

- ALLOWABLE:
- (1) Consideration of the oil allowable for March, 1967;
 - (2) Consideration of the allowable production of gas for March, 1967, from thirteen prorated pools in Lea, Eddy and Roosevelt Counties, New Mexico; Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for March, 1967.

CASE 3527: Application of El Paso Natural Gas Company for authority to drill and to directionally drill several wells at unspecified unorthodox locations and to produce therefrom and vent natural gas in conjunction with "Project Gasbuggy," Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill and to directionally drill several wells at as yet unspecified unorthodox locations in the SW/4 of Section 36, Township 29 North, Range 4 West, Choza Mesa-Pictured Cliffs Gas Pool, Rio Arriba County, New Mexico, said wells to be used as required for testing and for the instrumentation and detonation of a nuclear explosive in conjunction with "Project Gasbuggy," which is to be conducted in cooperation with the United States Atomic Energy Commission, the United States Bureau of Mines, and Lawrence Radiation Laboratory of the University of California, to determine the feasibility of increasing the recovery of natural gas from low permeability reservoirs. Applicant also seeks authority to produce and vent natural gas both before the detonation and afterward, as required, to properly evaluate the test. Applicant further seeks the establishment of an administrative procedure for approval of the location of such wells as may be required at unorthodox locations.

CASE 3528: Southeastern New Mexico nomenclature case calling for an order for the creation of one pool and the assignment of an oil discovery allowable therein, and the creation, extension and abolishment of certain other pools in Lea, Eddy, and Chaves Counties, New Mexico:

- (a) Create a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated the Emerald-Abo Pool, comprising the following-described acreage:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM

Section 15: SW/4

Further, for the assignment of approximately 47,220 barrels of oil discovery allowable to the discovery well, Elk Oil Company's Aztec State Well No. 1, located in Unit M of said Section 15.

(b) Create a new pool in Eddy County classified as a gas pool for Atoka production and designated as the Dagger Draw-Atoka Gas Pool, and described as:

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM

Section 3: W/2

(c) Create a new pool in Eddy County classified as a gas pool for Canyon production and designated as the Hackberry Hills-Canyon Gas Pool, and described as:

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM

Section 1: S/2

(d) Create a new pool in Eddy County classified as a gas pool for Canyon production and designated as the East Hackberry Hills-Canyon Gas Pool, and described as:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM

Section 22: N/2

(e) Create a new pool in Lea County classified as an oil pool for Wolfcamp production and designated as the South Lusk-Wolfcamp Pool, and described as:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 28: SE/4

(f) Create a new pool in Lea County classified as a gas pool for Devonian production and designated as the Paduca-Devonian Gas Pool, and described as:

TOWNSHIP 25 SOUTH, RANGE 32 EAST, NMPM

Section 18: NW/4

(g) Create a new pool in Chaves County classified as an oil pool for San Andres production and designated as the West Tobac-San Andres Pool, and described as:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
Section 26: SE/4

- (h) Extend the Artesia Pool in Eddy County to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 9: SE/4 NW/4 and NE/4 SW/4

- (i) Extend the Atoka-Pennsylvanian Gas Pool in Eddy County to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 15: N/2

- (j) Extend the North Bagley-Upper Pennsylvanian Pool in Lea County to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
Section 3: S/2 SE/4
Section 9: NW/4

- (k) Extend the Big Eddy-Strawn Pool in Eddy County to include therein:

TOWNSHIP 20 SOUTH, RANGE 31 EAST, NMPM
Section 19: SW/4

- (l) Extend the Cato-San Andres Pool in Chaves County to include therein:

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM
Section 14: NE/4
Section 16: N/2
Section 17: NE/4

- (m) Extend the Grama Ridge-Morrow Gas Pool in Lea County to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 33: All

(n) Extend the Justis-Blinebry Pool in Lea County to include therein:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
Section 26: NE/4

(o) Extend the Middle Lane-Permo Pennsylvanian Pool in Lea County to include therein:

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
Section 14: SE/4

(p) Extend the Lazy J-Pennsylvanian Pool in Lea County to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 3: SE/4

(q) Extend the Malaga-Delaware Pool in Eddy County to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 13: E/2 SW/4
Section 24: NW/4

(r) Extend the Osudo-Morrow Gas Pool in Lea County to include therein:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
Section 6: Lots 1, 2, 7, 8, 9, 10, 15,
and 16

(s) Extend the Scanlon-Delaware Pool in Eddy County to include therein:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 30: NE/4 SE/4

(t) Abolish the West Mesa-Upper Queen Gas Pool comprising the following described acreage in Eddy County, New Mexico:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 12: NW/4 & S/2
Section 13: N/2 & SW/4
Section 14: NE/4

(u) Extend the Mesa Queen Pool in Lea County, New Mexico, to include all of the Queen formation in the following area:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM

Section 18: NW/4 & S/2

and to include the Upper Queen gas pay only in the following described area in Eddy County:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM

Section 12: All

Section 13: All

Section 14: NE/4

CASE 3529: Northwestern New Mexico nomenclature case calling for an order creating certain pools in San Juan County, New Mexico:

(a) Create a new pool in San Juan County classified as a gas pool for Fruitland production and designated as the Pinon-Fruitland Pool, and described as:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 18: NW/4

TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM

Section 13: N/2 & SE/4

(b) Create a new pool in San Juan County classified as a gas pool for Gallup production, designated as the Ojo-Gallup Pool, and described as:

TOWNSHIP 28 NORTH, RANGE 14 WEST, NMPM

Section 31: S/2

TOWNSHIP 28 NORTH, RANGE 15 WEST, NMPM

Section 26: N/2 & SE/4

Section 35: NE/4

Section 36: N/2 & SE/4

(c) Create a new pool in San Juan County classified as an oil pool for Dakota production, designated as the Slick Rock-Dakota Oil Pool, and described as:

TOWNSHIP 30 NORTH, RANGE 17 WEST, NMPM

Section 36: S/2 SE/4

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NMOCC Exhibit No 1
Case No. 3529

The following is recommended for the northwest nomenclature case for February 1967:

- (a) Create a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland production, designated as the Pinon-Fruitland Pool and described as:

Township 28N, Range 11 West, NMPM,
Section 18: NW/4

Township 28N, Range 12 West, NMPM,
Section 13: N/2 & SE/4

based on:

Pan American Petroleum Corporation #220 Gallegos Canyon Unit
I-13-28N-12W
AOF 7612 MCFPD; SICP 549 #/8 days
Completed 5-31-66
Perforations 1242-1252

- (b) Create a new pool in San Juan County, New Mexico, classified as a gas pool for Gallup production, designated as the Ojo-Gallup Pool and described as:

Township 28N, Range 14 West, NMPM,
Section 31: S/2

Township 28N, Range 15 West, NMPM,
Section 26: N/2 & SE/4
Section 35: NE/4
Section 36: N/2 & SE/4

based on:

Exploration Drilling, Inc. #1 Navajo
D-26-28N-15W
AOF 5250 MCFPD; SICP 1325 #
Completed 11-9-61
Perforations 4524-4528

- (c) Create a new pool in San Juan County, New Mexico, classified as an oil pool for Dakota production, designated as the Slick Rock-Dakota Oil Pool and described as:

Township 30 North, Range 17 West, NMPM,
Section 36: S/2 SE/4

based on:

Claude C. Kennedy #2-X Deb
P-36-30N-17W
IP 96 BOPD
Completed 12-7-66
Perforations 752-760

Memo

From

A. R. KENDRICK
ENGINEER & DEPUTY
OIL & GAS INSPECTOR

To Sda:

The attached paragraph
states for creation of new
poals will complete the
Northwest Jurisdiction Case
for February 1967.

W

Case 3529

File 3529

(c) Create a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland production, designated as the Pinon-Fruitland Pool and described as:

Township 28N, Range 11 West, NMPM

Section 18: NW/4

Township 28N, Range 12 West, NMPM

Section 13: N/2 & SE/4

Discovery well:

Pan American Petroleum Corporation #220 Gallegos Canyon Unit
1-13-28N-12W
AOF 7612 MCFPD, SICP 549 #/3 days
Completed 5-31-66
Perforations 1242-1252

(b) Create a new pool in San Juan County,
New Mexico, classified as a gas pool for Gallup
production, designated as the Ojo-Gallup Pool and
described as:

Township 28N, Range 14 West, NMPM

Section 31: S/2

Township 28N, Range 15 West, NMPM

Section 26: N/2 & SE/4

Section 35: NE/4

Section 36: N/2 & SE/4

Discovery Well:

Exploration Drilling, Inc. #1 Navajo

D-26-28N-15W

AOB 5250 MCFPD, SICP 1325 #

Completed 11-9-61

Perforations 4524-4528

(c) Create a new pool in San Juan County,
New Mexico, classified as an Oil - pool for Dakota
production, designated as the Slick Rock-Dakota Oil Pool and
described as:

Township 30 North, Range 17 West, NMPH

Section 36: S/2 SE/4

Discovery Well:

Claude C. Kennedy #2-X Deb
P-36-30N-17W
IP 96 BOPD
Completed 12-7-66
Perforations 752-760

() That a new pool in San Juan County 1, New Mexico, classified as a gas pool for oil and gas production, be and the same is hereby created and designated as the San Juan Pool, consisting of the following described area:

Beginning at North Range 12 West, 41st N.
Section 18: NW 1/4
T. 28 N. R. 28 W. Range 12 West, 41st N.
Section 18: NW 1/4

() That a new pool in San Juan County g, New Mexico, classified as a gas pool for oil production, be and the same is hereby created and designated as the Gallup Pool, consisting of the following described area:

Section 26, T4S, R12E, S4W
Section 27, T4S, R12E, S4W

Section 28, T4S, R12E, S4W

Section 29, T4S, R12E, S4W

Section 30, T4S, R12E, S4W

Section 31, T4S, R12E, S4W

() That a new pool in San Juan Count 11, New Mexico, classified as a oil pool for production, be and the same is hereby created and designated as the San Juan Pool, consisting of the following described area:

30 North, Range 17 West, N.M.M.
Section 10, T. 20 N., R. 17 W.

dearnley-meier reporting service inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SHAW BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 15, 1967

REGULAR HEARING

IN THE MATTER OF:)
)
)

Northwestern New Mexico)
nomenclature case calling for)
an order creating certain)
pools in San Juan County, New)
Mexico.)
)

Case 3529

BEFORE:

David F. Cargo, Governor
A. L. "Pete" Porter, Secretary-Director
Guyton Hays, Land Commissioner

Transcript of Hearing

dearnley-meier
attorneys at law, p.c.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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1205 FIRST NATIONAL BANK EAST • PHONE 36-1294 • ALBUQUERQUE, NEW MEXICO 87108

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MR. PORTER: We will take up Case 3529.

MR. HATCH: Case 3529: Northwestern New Mexico nomenclature case calling for an order creating certain pools in San Juan County, New Mexico.

(Witness sworn.)

A. R. KENDRICK, called as a witness, having been first duly sworn, was examined and testified as follows:

EXAMINATION

BY MR. HATCH:

Q Would you state your name and position for the record, please?

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

Q Are you prepared to make recommendations concerning the nomenclature of certain pools in San Juan County, New Mexico?

A Yes, sir.

Q Are your recommendations prepared in the form of exhibits?

A Yes, sir.

Q What is that Exhibit No. 1, please?

A Exhibit No. 1, Case 3529.

Q Will you please refer to Exhibit No. 1 and to the docket that's been distributed to this hearing and

dearnley-meier recording service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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point out any substantial differences, if any, between the two?

A They are identical.

Q Then do you recommend that the pools be created as advertised?

A Yes, sir.

Q Was Exhibit No. 1 prepared by you or under your supervision?

A Yes.

MR. MATCH: I would like to move the introduction of Exhibit No. 1 into evidence.

MR. PORTER: Exhibit No. 1 will be admitted in evidence.

(Commission's Exhibit 1
admitted in evidence.)

MR. PORTER: Any questions of the witness?
Witness may be excused.

(Witness excused.)

MR. PORTER: If there is nothing further to be offered in Case 3529, the Commission will take the case under advisement and the hearing is adjourned.

dearnley-meier

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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1205 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO 87108



STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, KAY EMBREE, 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.

Kay Embree
Court Reporter