

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 15, 1958

IN THE MATTER OF: Case No. 1370

TRANSCRIPT OF PROCEEDINGS

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
3-6691 5-9546

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

IN THE MATTER OF:

Southeastern New Mexico nomenclature case calling for an order for the creation of new pools and the extension of existing pools in Lea, Eddy and Roosevelt Counties, New Mexico.

CASE 1370

(a) Create a new oil pool for Queen production, designated as the East E-K Queen Pool and described as:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 28: E/2

(b) Create a new oil pool for Pennsylvanian production, designated as the Kemnitz-Cisco Pool and described as:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 21: N/2

(c) Create a new oil pool for Pennsylvanian production, designated as the Sanmal-Pennsylvanian Pool and described as:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 34: SE/4

(d) Create a new oil pool for Wolfcamp production, designated as the Tatum-Wolfcamp Pool and described as:

TOWNSHIP 13 SOUTH, RANGE 36 EAST, NMPM
Section 6: SE/4

(e) Extend the Aid Pool to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 19: SE/4

(f) Extend the North Bagley-Pennsylvanian Pool to include:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
Section 10: SW/4

(g) Extend the Blinebry Oil Pool to include:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 32: S/2

(h) Extend the Bronco-Wolfcamp Pool to include:

TOWNSHIP 13 SOUTH, RANGE 38 EAST, NMPM
Section 2: W/2
Section 11: NW/4

(i) Extend the Cave Pool to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 4: E/2 NE/4

(j) Extend the Eumont Pool to include:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 34: SW/4

(k) Extend the Grayburg-Keely Pool to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 22: NW/4

(l) Extend the West Henshaw-Grayburg Pool to include:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM
Section 4: Lots 15 & 16

(m) Extend the Jalmat Pool to include:

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM
Section 17: NW/4

(n) Extend the Justis-Ellenburger Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 13: SW/4

(o) Extend the Milnesand-Pennsylvanian Pool to include:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM
Section 13: SW/4

(p) Extend the Ranger Lake-Pennsylvanian Pool to include:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 23: NE/4 & E/2 NW/4

(q) Extend the Roberts Pool to include:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 7: E/2 SE/4

(r) Extend the Square Lake Pool to include:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
Section 35: SE/4
Section 36: NW/4

(s) Extend the Young Pool to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 9: S/2 SW/4
Section 17: N/2 NE/4

BEFORE:

Mr. A. L. Porter, Jr.
Mr. Murray Morgan
Governor Edwin L. Mechem

TRANSCRIPT OF PROCEEDINGS

MR. PORTER: The Commission will consider next Case 1370.

RANDALL MONTGOMERY

a witness, of lawful age, having been first duly sworn on oath,
testified as follows:

DIRECT EXAMINATION

By MR. COOLEY:

Q Will the witness please state his name and position?

A Randall Montgomery, proration manager for the New Mexico Oil Conservation Commission.

Q Mr. Montgomery, in your official capacity as proration manager for the New Mexico Oil Conservation Commission, have you had an opportunity to make a study of new pools and extensions of existing pools in Lea, Eddy and Roosevelt Counties, New Mexico?

A I have.

Q Mr. Montgomery, do you have any recommendations concerning the creation of a new oil pool for Queen production in Township 18 South, Range 34 East?

A I do. I recommend that the pool be created as advertised, being the East E-K Queen. This was occasioned by the recent discovery of Ambassador Oil in State U, Well No. 1, Unit H, of Section 28, 18, 34. The top of the perforation was 4,838 feet, completed on 10-25-57.

MR. PORTER: In connection with that, Mr. Montgomery, do you know approximately how far that proposed pool boundary would be from the E-K Queen Pool?

A About three or four miles. There are some dry holes between, though.

MR. PORTER: Thank you.

Q Mr. Montgomery, what do you propose as the vertical limits of the East E-K Queen Pool?

A Queen formation.

Q Do you have any recommendation concerning the creation of

a new oil pool for Pennsylvanian production?

A I do. I recommend that the new Pennsylvanian Pool as advertised in paragraph (b) be created as advertised, the Kemnitz-Cisco Pool, the North Half of Section 21, Township 16 South, Range 34 East. Discovery well was Pure Oil State Lea E No. 1 in Unit G, 21-16-34, completed in the Cisco formation, 10-26-57. Top of the perforation was 11,446 feet.

MR. PORTER: I have a question on that one, too.

A Yes.

MR. PORTER: Is the Cisco a part of the Pennsylvanian?

A It is.

MR. PORTER: Do you know whether or not this well was productive, potentially productive in any other zone of the Pennsylvanian?

A No, it was dry. I don't know that they tested any other zones in the Pennsylvanian, but I do know they tested the Wolfcamp and it was not commercial in the Wolfcamp, which is a zone a few hundred foot above it.

MR. PORTER: Is the Cisco one of the upper zones of the Pennsylvanian?

A Yes, it sure is. The Pennsylvanian is broken by age group into Canyon, Cisco and Atoka. The Cisco is one of those zones; it better identifies it.

MR. PORTER: You would limit, at least for the present, the vertical limits of this pool to this Cisco?

A Yes, sir.

MR. PORTER: Thank you. You may proceed.

Q Mr. Montgomery, do you have any recommendation concerning the creation of a new oil pool for Pennsylvanian production in Township 16 South, Range 33 East?

A Yes, I recommend that the new Pennsylvanian Pool be created as advertised in paragraph (c), the Sanmal-Pennsylvanian Pool, discovered by Neville G. Penrose, TGP State No. 1, unit I, Section 34, Township 16 South, Range 33 East; the top of the perforation being 11,708.

Q What do you recommend as the vertical limits for the Sanmal-Pennsylvanian?

A The Pennsylvanian.

Q The entire Pennsylvanian formation?

A Yes, sir.

Q Have you any recommendations concerning the creation of a new oil pool for Wolfcamp production in Township 13 South, Range 36 East?

A Yes, and I recommend that the pool called the Tatum-Wolfcamp Pool be created as advertised. This was discovered by the Union Oil Company of California in their R. W. Duncan No. 1-6, Unit P, Section 6, Township 13 South, Range 36 East; top of the perforation, 10,285.

MR. PORTER: Mr. Montgomery, which direction is this from the town of Tatum?

A Southwest, about three miles.

MR. PORTER: Thank you.

Q Mr. Montgomery, what do you recommend as the vertical limits of this pool?

A Wolfcamp.

Q The entire Wolfcamp formation?

A Yes, sir.

Q Mr. Montgomery, do you have any recommendations concerning the extension of the Aid Pool?

A I recommend that it be extended as advertised.

Q What are your recommendations concerning the extension of the North Bagley-Pennsylvanian Pool?

A I recommend that pool be extended as advertised.

Q Do you have any recommendations regarding the extension of the Blinebry Oil Pool?

A I recommend that pool be extended as advertised.

Q What are your recommendations concerning the extension of the Bronco-Wolfcamp Pool?

A I recommend that pool be extended as advertised.

Q Do you have any recommendations concerning the extension of the Cave Pool?

A I recommend the Cave Pool be extended as advertised.

Q What are your recommendations concerning the extension of the Eumont Pool?

A This portion was inadvertently put in to be advertised. I recommend it be dismissed; the fact is that this acreage is a

portion of a gas unit that is in the Jalmat Pool. It was inadvertently put in. There are oil wells in the Eumont that occasioned the extension of the Eumont Gas Pool; already the acreage is dedicated to the Jalmat. We have advertised for February that the South Eunice Pool be extended to cover that portion, and therefore I recommend dismissal of paragraph (j).

MR. COOLEY: Mr. Commissioner, for the reason stated by the witness, it is our recommendation that the portion of the case advertised as sub-paragraph (j), the extension of the Eumont Pool to include the Southwest Quarter of 34, Township 21 South, Range 36 East, be dismissed.

MR. PORTER: Any objection to the dismissal of this portion of the advertised case? It will be dismissed.

Q Mr. Montgomery, what are your recommendations concerning the extension of the Grayburg-Keely Pool?

A That that pool be extended as advertised.

Q What are your recommendations concerning the extension of the West Henshaw-Grayburg?

A That that pool be extended as advertised, and in Section 3, the West Half of the Southwest Quarter, Township 16 South, Range 30 East; and in Section 17, South Half of the Northwest Quarter, Township 16 South, Range 30 East.

Q Mr. Montgomery, do you have any recommendations concerning the extension of the Jalmat Pool?

A I recommend that pool be extended as advertised.

Q What are your recommendations concerning the extension of the Justis-Ellenburger Pool?

A That that pool be extended as advertised.

Q Do you have any recommendation regarding the extension of the Milnesand-Pennsylvanian Pool?

A I recommend that pool be extended as advertised, and in Section 24 of Township 12 South, Range 34 East, the North Half of the Northeast Quarter of Section 24.

Q What are your recommendations concerning the extension of the Ranger Lake-Pennsylvanian Pool?

A That that pool be extended as advertised.

Q Do you have any recommendation regarding the extension of the Roberts Pool?

A That that pool be extended as advertised, and also in Section 4, Township 17 South, Range 33 East, the southwest quarter of the southwest quarter, and in Section 9, the west half of the northwest quarter.

Q Do you have any recommendations regarding the extension of the Square Lake Pool?

A That that pool be extended as advertised.

Q What are your recommendations concerning the extension of the Young Pool?

A That that pool be extended as advertised.

Q Mr. Montgomery, were your recommendations concerning the extension of unadvertised portions of the West Henshaw-Grayburg Pool,

the Milnesand-Pennsylvanian Pool, and the Roberts Pool, based upon actual production from those pools?

A They are.

Q Do you have any further recommendations in this case?

A That's all.

Q Have you prepared exhibits to substantiate your recommendations in this case?

A I have, Exhibits A through S, with the exception of J.

MR. COOLEY: Mr. Commissioner, we move the admission of Exhibits A through I and K through S, in Case 1370.

MR. PORTER: Without objection they will be admitted. Anyone have a question of Mr. Montgomery? Mr. Nutter.

CROSS EXAMINATION

By MR. NUTTER:

Q What were the vertical limits of the Kemnitz-Cisco Pool?

A Cisco formation.

Q What was the completion date of the discovery well in the Tatum-Wolfcamp Pool?

A 10-13-57.

MR. PORTER: Anyone else have a question? The witness may be excused.

(Witness excused.)

MR. PORTER: Anyone have anything further to say in this case? We'll take the case under advisement.

* * * * *

