

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

March 13, 1958

TRANSCRIPT OF HEARING

Case 1391

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE - SANTE FE
3-6691 2-2211

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

March 13, 1958

IN THE MATTER OF: Case 1391

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

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

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

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

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM
Section 34: NW/4

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

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 24: NW/4

(d) Create a new oil pool for Glorieta production, designated as the South Paddock Pool, and described as:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 32: SE/4

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

TOWNSHIP 9 SOUTH, RANGE 38 EAST, NMPM
Section 33: Lots 3 & 4 and W/2 SW/4

(f) Create a new oil pool for Devonian production, designated as the South Vacuum-Devonian Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 35: NE/4

(g) Delete portions of the Atoka-Grayburg Pool, described as:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 7: SW/4

(h) Extend the Red Lake Pool to include:

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

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 7: SW/4

(i) Delete a portion of the South Eunice Pool, described as:

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

(j) Extend the Anderson Ranch-Devonian Pool, to include:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 2: Lots 1 & 2

(k) Extend the Atoka Pool to include:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 12: W/2 SE/4, SE/4 NW/4, & SW/4 NE/4

(l) Extend the Eumont Gas Pool to include:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
Section 32: SE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 8: NW/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 20: SW/4

(m) Extend the Jalmat Gas Pool to include:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
Section 14: SW/4

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM
Section 20: NW/4 & W/2 NE/4

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

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 24: SE/4

(o) Extend the Maljamar Pool to include:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 28: E/2

(p) Extend the Pearl-Queen Pool to include:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 21: SE/4 SE/4
Section 22: S/2 SW/4

(q) Extend the Penrose-Skelly Pool to include:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 31: SW/4

(r) Extend the Townsend-Wolfcamp Pool to include:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM
Section 6: Lots 9, 10, 11, 14, 15, & 16

(s) Extend the Turkey Track Pool to include:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 33: E/2 NE/4

(t) Delete a portion of the Arrowhead Pool described as:

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

BEFORE: Honorable Edwin L. Mechem
Mr. A. L. Porter
Mr. Murray Morgan

TRANSCRIPT OF HEARING

MR. PORTER: We will take up next Case 1391.

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

(Witness sworn.)

JOHN RUNYAN

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

DIRECT EXAMINATION

By MR. COOLEY:

Q Will the witness state his name and position, please?

A John Runyan, Geologist for the New Mexico Oil Conservation Commission.

Q As Geologist for the New Mexico Oil Conservation Commission, have you had an opportunity to make a study for the correction, deletion, extension of certain pools in Lea and Eddy Counties, New Mexico?

A Yes, sir, I have.

Q Have you made a study for the creation of a new gas pool for Pennsylvanian production in Township 24 South, Range 26 East?

A Yes, sir. I recommend that a new pool be created for Pennsylvanian production, called the Crawford-Pennsylvanian Gas Pool, and this is because of the discovery of a well by Union Oil Company of California in Unit J of Section 26-24-26, completed

in the Marrow Sand in the Pennsylvanian.

Q You didn't recommend the horizontal limits nor the vertical limits. What do you recommend as the horizontal limits?

A The horizontal limits would be the Southeast quarter of Section 26, Township 24, Range 26.

Q What do you recommend as the vertical limits?

A Pennsylvanian Formation.

Q Mr. Runyan, have you made a study for the creation of a new gas pool for Pennsylvanian production in Township 24 South, Range 27 East?

A Yes, I have. I recommend that a new pool be created called the Harkey-Pennsylvanian Gas Pool. This is due to Tennessee Gas Transmission Company's John M. Kelly "A" No. 1 in Unit E of Section 34, Township 24, Range 27, completed in the Pennsylvanian on 12/26/1957, top of perforation, 10,824. I recommend that the horizontal limits be the Northwest Quarter of Section 34 and the vertical pool limit, the Pennsylvanian Formation.

MR. PORTER: Is this a gas pool?

A Yes, sir. They did lift the perforations this time.

Q Mr. Runyan, have you likewise made a study for the creation of a new oil pool for Fusselman production in Township 25 South, Range 37 East?

A Yes, I have, and recommend that the new pool be created, called the Justis-Fusselman Pool. This is due to the discovery well

of Western Natural Gas Company Wimberley No. 3 in Unit D of Section 24-25-37, completed in the Fusselman 1/2/58, top of perforation 7004 feet. I also recommend that the vertical limits be I guess the Fusselman Formation, the horizontal be the Northwest Quarter of Section 24.

Q Mr. Runyan, have you made a study for the creation of a new oil pool for Glorieta production in Township 22 South, Range 38 East?

A Yes, sir, I have. I recommend a new pool be created, called the South Paddock Pool. This is due to the discovery of the Gulf Oil Corporation's T. R. Andrews Well No. 3 in Unit J of Section 32-22-38, completed in the Glorieta 12/16/57, top perforation 5,164 feet. I recommend that the horizontal limits be the Southeast Quarter of Section 32, and the vertical limits be the Glorieta Formation.

Q Have you likewise made a study of the creation of a new oil pool for San Andres production in Township 9 South, Range 38 East?

A Yes, sir, I have, and recommend a new pool be created called the South Sawyer-San Andres Pool. This is due to the Rowan Oil Company Federal No. 1 in Unit N of Section 33, Township 9, Range 38 East, completed in the San Andres 1/12/1958; top of the perforation 4,950 feet. I also recommend that the horizontal limits of the pool be Lots 3 & 4 and the West half of the Southwest Quarter in

Section 33, and the vertical limits of the pool being the San Andres Formation.

Q Have you made a study for the creation of a new oil pool for Devonian production in Township 18 South, Range 35 East, NMPM?

A Yes. I recommend a new pool be created called the South Vacuum-Devonian Pool due to the Union Oil Company of California South Vacuum Unit No. 1-35 in Unit G of Section 35-18-35, completed in the Devonian January, 1958. The top of the perforation, 11,643 feet, so I recommend that the horizontal limit of the pool be the Northeast Quarter of Section 35, and the vertical limits of the pool be the Devonian Formation.

Q Mr. Runyan, do you have any recommendation concerning the deletion of certain portions of the Atoka-Grayburg Pool in Township 18 South, Range 27 East?

A Yes, sir, I have. I recommend that the Southwest Quarter of Section 7 of the Atoka-Grayburg Pool be deleted as advertised.

Q What are the reasons for those recommendations, Mr. Runyan?

A The main reasons is that there was some conflicts within the horizontal boundaries between the Red Lake Pool and the Atoka-Grayburg Pool due to the State Engineer's boundary which they have set up for this well completions which they control, and due to this and to make the proration of these pools more simpler, I would recommend that they delete this portion.

Q Is it your opinion that the Southwest Quarter of Section 7,

Township 18 South, Range 27 East, NMPM is in the common source of supply designated by the Commission as the Red Lake Pool rather than that common source of supply designated as the Atoka-Grayburg Pool?

A Yes.

MR. PORTER: John, by being under the control of the State Engineers, you mean as to casing and cement program?

A Yes, did I say completion?

MR. PORTER: Yes, I believe you did.

A That's right.

Q Mr. Runyan, do you have any recommendation concerning the extension of the Red Lake Pool?

A Yes, sir, I do. I recommend that the Red Lake Pool be extended as advertised, and also an unadvertised portion, being the Southeast Quarter of the Southeast Quarter of Section 1, and this is due to three wells capable of producing from this pool.

Q Mr. Runyan, does the recommended extension of the Red Lake Pool include acreage that is deleted from Atoka-Grayburg Pool?

A Yes, sir, that is correct.

Q Mr. Runyan, do you have any recommendation concerning the deletion of certain portions of the South Eunice Pool?

A I recommend that this portion of the South Eunice Pool be deleted as advertised.

Q What is the reason for this deletion?

A This was due to an overlap in dedicated acreage between the

South Eunice Pool and the Jalmat Pool.

Q Is it your statement that this acreage was erroneously included in the South Eunice Pool? A Yes, that is correct.

MR. PORTER: Mr. Runyan, in the area which you propose to delete from the South Eunice, would it become a part or is it a part of a gas unit in the Jalmat Pool?

A No, sir, it is not.

MR. PORTER: It isn't?

A I beg your pardon. Just a minute.

Q It is dedicated to a gas well in the Jalmat Gas Pool?

A Yes, it is.

Q Mr. Runyan, do you have any recommendation concerning the extension of the Anderson Ranch-Devonian Pool?

A Yes, I do. I recommend it be extended as advertised, due to one well capable of producing from this pool.

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

A Yes. I recommend that this pool be extended as advertised, and also an unadvertised portion by the East Half of the Southeast Quarter of Section 12, and this is due to two wells capable of producing from this pool.

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

A Yes, sir. I recommend that this pool be extended as

advertised due to three wells capable of producing from this pool.

Q What are your recommendations concerning the extension of the Jalmat Gas Pool?

A I recommend this pool be extended as advertised, and also an unadvertised portion, being the Northwest Quarter of Section 14, and this is due to three wells capable of producing from this pool.

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

A I recommend that this pool be extended as advertised, due to one well capable of producing from this pool.

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

A Yes. I recommend that this pool be extended as advertised, due to five wells capable of producing from this pool.

Q What are your recommendations concerning the extension of the Pearl-Queen Pool?

A I recommend this be extended as advertised, due to one well capable of producing from the pool.

Q Do you have any recommendations regarding the extension of the Penrose-Skelly Pool?

A I recommend that it be extended as advertised, due to one well capable of producing from the pool.

~~Q What are your recommendations regarding the extension~~

of the Townsend-Wolfcamp Pool?

A I recommend it be extended as advertised, due to one well capable of producing from the pool.

Q What are your recommendations concerning the extension of the Turkey Track Pool?

A I recommend it be extended as advertised, due to one well capable of producing from the pool.

Q Do you have any recommendations concerning the deletion of certain portions of the Arrowhead Pool?

A Sir, I recommend that it be deleted as advertised.

Q What is the purpose for this deletion?

A The purpose is this portion of the Arrowhead Pool is non-productive.

Q Has that been so proven by drilling activities?

A That's correct.

Q Do you have any further recommendations in this case, Mr. Runyan?

A No, sir.

Q Have you prepared exhibits to substantiate the recommendations showing the various data which support them?

A Yes, sir, I have. I have prepared Exhibits A through T, which I wish to submit to the Commission.

(Marked Exhibits A through T,
for identification.)

MR. COOLEY: Move the admission of Exhibits A through T in

Case 1391.

MR. PORTER: Without objection they will be admitted.

Does anyone else have a question of Mr. Runyan? Mr. Nutter.

CROSS EXAMINATION

By MR. NUTTER:

Q Paragraph A there for the creation of the Crawford-Pennsylvanian Pool --

A Yes, sir.

Q What is the discovery well for that pool?

A That is Union Oil of California.

MR. COOLEY: On the Crawford.

A On the Crawford-Pennsylvanian, Union Oil Company of California is the operator. The Well Number, I believe, is the Crawford Marrow No. 1.

Q Does Union Oil Company have only one well in this area?

A In the immediate area, yes.

Q Within a mile around here? A That is correct.

Q We will determine the discovery well from the well files and the order will reflect it.

MR. PORTER: That will be satisfactory. Any further questions? Is that all the questions you have, Mr. Nutter?

MR. NUTTER: Yes.

MR. COOLEY: That's all.

MR. PORTER: The witness may be excused. We will take the case under advisement. The hearing is adjourned.

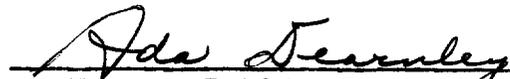
(Witness excused.)

C E R T I F I C A T E

STATE OF NEW MEXICO)
 : SS
COUNTY OF BERNALILLO)

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

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 24TH day of March, 1958.


Notary Public-Court Reporter

My commission expires:

June 19, 1959.