

to recommend the creation of new pools and the extension, contraction and change of vertical limits of certain existing pools in Eddy, Lea and Roosevelt Counties, New Mexico?

A Yes, sir, I do.

Q Do you have these recommendations prepared in the form of an exhibit in this case?

A Yes, sir.

Q Is that shown as Exhibit No. 1 in Case 2530?

A Yes, sir, it is.

Q Referring to that exhibit, Mr. Nutter, what is your recommendation concerning the creation of a new oil pool for Grayburg production?

A I recommend that a new oil pool designated as the West Anderson Ranch-Grayburg Pool be created, comprising the Northwest Quarter of Section 7, Township 16 South, 32 East. The data of discovery is shown on Sheet (a) of Exhibit 1.

Q Referring to paragraph (b) of Exhibit 1, what is your recommendation concerning the creation of a new oil pool for Bear Draw-Queen-Grayburg-San Andres production?

A I recommend that the Bear Draw-Queen-Grayburg-San Andres Pool be created, comprising the West Half of Section 28, Township 16 South, 29 East, Eddy County. The discovery data is shown on the exhibit.

Q Referring to paragraph (c), what is your recommendation concerning the creation of a new oil pool for Delaware production?



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A That the U. S. Delaware Pool comprising the Southwest Quarter of Section 27, Township 21 South, Range 29 East, in Eddy County, be created; and the discovery data is here.

Q Referring to paragraph (d) of Exhibit No. 1, what is your recommendation for the creation of a new oil pool for Abo production?

A That the Double A-Abo Pool comprising the Northeast Quarter of Section 20, Township 17 South, Range 36 East, Lea County, be created, with the discovery data shown on the exhibit.

Q Referring to paragraph (e), Exhibit 1, what is your recommendation concerning the creation of a new oil pool for Delaware production?

A That the Salado-Draw-Delaware Pool comprising the Northwest Quarter of Section 15, Township 26 South, Range 33 East, in Lea County, be created. The discovery data is shown on the exhibit.

Q Referring to paragraph (f) of Exhibit No. 1, what is your recommendation concerning the creation of a new oil pool for the Blinebry production?

A That the East Weir-Blinebry Pool comprising the Northeast Quarter of Section 11, Township 20 South, Range 37 East, Lea County, be created, with the discovery data being shown.

Q Do you have a recommendation concerning the change in the vertical limits of the Mescalero-Pennsylvanian Pool?

A Yes, I have. I would recommend that the vertical limits



of the Mescalero-Pennsylvanian Pool be changed to include the lower Permian section, and that the Pool be renamed Mescalero-Permo Pennsylvanian Pool, with the same horizontal limits as the old one.

Q What is the basis of your recommendation?

A There are several wells presently completed in both the Wolfcamp and Pennsylvanian formations.

Q Do you have a recommendation concerning the contraction of the High Lonesome Pool?

A Yes, I do. I would recommend that the Northeast Quarter of Section 20, All of Section 21 and All of Section 28 be deleted from the horizontal limits of the High Lonesome (Queen) Pool. A companion case to this was a creation of the pool in paragraph (b) of this case.

Q Are your recommendations in this regard shown in paragraph (h) of this exhibit?

A Yes, sir, they are.

Q Referring to paragraph (j), Exhibit No. 1, what is your recommendation concerning the extension of the North Benson Queen Pool?

A I would recommend that the vertical limits of the pool be changed to include not only the Queen Formation, but also the Grayburg Formation; and that the Pool's name be changed from North Benson Queen to North Benson Queen Grayburg. This is the result of several wells completed within this pool which are



completed in both formations.

Q Mr. Nutter, with respect to paragraph (i) of Exhibit No. 1, and paragraphs (k) through (v) of Exhibit No. 1, do they accurately reflect your recommendations concerning the extension of existing pools?

A Yes, sir, they do.

Q Do you have anything further you would like to add in this case?

A No, sir.

MR. MORRIS: If the Commission please, we offer Exhibit No. 1 in Case 2530, and that concludes the direct examination of Mr. Nutter.

MR. PORTER: Any questions of the witness? The exhibit will be admitted to the record. The witness may be excused.

(Witness excused.)

MR. PORTER: If nothing further to be offered in the case, we will take it under advisement, and the hearing is adjourned.

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STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached transcript of proceedings was reported by me in stenotype and that the same was reduced to typewritten transcript under my personal supervision and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

DATED this 25th day of April, 1962, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Ada Dearnley

NOTARY PUBLIC

My Commission Expires:

June 19, 1963.

