

CASE NO. 8474

EXHIBIT I

CASE 8474: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, contracting, redesignating and extending certain pools in Chaves, Lea, and Roosevelt Counties, New Mexico:

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Permo Pennsylvanian production and designated as the Eight Mile Draw-Permo Pennsylvanian Pool. The discovery well is the Yates Petroleum Corporation Lonestar AAI State Well No. 1 located in Unit K of Section 19, Township 11 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 11 SOUTH, RANGE 35 EAST, NMPM

Section 19: SW/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Atoka production and designated as the Kemnitz-Atoka Pool. The discovery well is the OGR Operating Company, Inc. Kemnitz 17 State Well No. 1 located in Unit H of Section 17, Township 16 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM

Section 17: NE/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Chester production and designated as the East Shoe Bar-Chester Gas Pool. The discovery well is the Maralo, Inc. State K-33 Com Well No. 3 located in Unit O of Section 30, Township 16 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM

Section 30: SE/4

- (d) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for Canyon production and designated as the West Tucker Ranch-Canyon Pool. The discovery well is the Wallace Oil and Gas, Inc. Tucker Well No. 2 located in Unit P of Section 5, Township 7 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 7 SOUTH, RANGE 33 EAST, NMPM

Section 5: SE/4

- (e) CONTRACT the vertical limits of the McDonald-Pennsylvanian Pool in Lea County, New Mexico, to include only the Cisco, Canyon, and Strawn formations, and redesignate said pool as the McDonald-Upper Pennsylvanian Pool.

- (f) REDESIGNATE the East New Hope-Pennsylvanian Gas Pool in ^{Roosevelt} ~~Lea~~ County, New Mexico, as the East New Hope-Wolfcamp Gas Pool, because the producing formation was incorrectly classified when said pool was created.

- (g) EXTEND the North Anderson Ranch-Cisco Canyon Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM

Section 33: SW/4

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM

Section 1: NW/4

- (h) EXTEND the South Brunson-Abo Pool in Lea County, New Mexico to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM

Section 32: SE/4

Section 33: SW/4

- (i) EXTEND the Southeast Chaves-Queen Gas Area Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 31 EAST, NMPM

Section 35: NW/4

- (j) EXTEND the North Chaveroo-Permo Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 33 EAST, NMPM

Section 14: NW/4

- (k) EXTEND the Cruz-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM

Section 8: SW/4

- (l) EXTEND the East Grama Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM

Section 11: S/2

- (m) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Section 28: NW/4

- (n) EXTEND the McDonald-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 36 EAST, NMPM

Section 33: NW/4 and S/2

- (o) EXTEND the Morton-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM

Section 7: E/2 SE/4

- (p) EXTEND the Pearl-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM

Section 33: NE/4

Section 34: N/2

- (q) EXTEND the North Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 36: N/2 and SE/4

NEW POOLS

It is recommended that a new OIL pool be created and designated as the EIGHT MILE DRAW-PERMO PENNSYLVANIAN Pool.

Vertical limits to be the PERMO PENN formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (a) EXHIBIT I

Discovery well was Yates Petroleum Corp. Lonestar AAI State #1 located in Unit K Section 19 Township 11 Range 35 and was completed on Oct. 30, 1984. Top of perforations is at 10,373 feet.

It is recommended that a new OIL pool be created and designated as the KEMNITZ-ATOKA Pool.

Vertical limits to be the ATOKA formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (b) EXHIBIT I

Discovery well was OGR Operating Co. Inc. Kemnitz 17 State #1 located in Unit H Section 17 Township 16 Range 34 and was completed on October 3, 1984. Top of perforations is at 12,040 feet.

It is recommended that a new GAS pool be created and designated as the EAST SHOE BAR-CHESTER GAS Pool.

Vertical limits to be the CHESTER formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (c) EXHIBIT I

Discovery well was Maralo Inc. State K-33 Com #3 located in Unit 0 Section 30 Township 16 Range 36 and was completed on October 17, 1984. Top of perforations is at 11,719 feet.

NEW POOLS

It is recommended that a new OIL pool be created and designated as the WEST TUBKER RANCH-CANYON Pool.

Vertical limits to be the CANYON formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (d) EXHIBIT I

Discovery well was Wallace Oil & Gas, Inc. Tucker #2 located in Unit P Section 5 Township 7S Range 33E and was completed on September 18, 1934. Top of perforations is at 8,916 feet.

It is recommended that a new _____ pool be created and designated as the _____ Pool.

Vertical limits to be the _____ formation and the horizontal limits should be as follows: _____

Discovery well was _____ located in Unit _____ Section _____ Township _____ Range _____ and was completed on _____ . Top of perforations is at _____ feet.

It is recommended that a new _____ pool be created and designated as the _____ Pool.

Vertical limits to be the _____ formation and the horizontal limits should be as follows: _____

Discovery well was _____ located in Unit _____ Section _____ Township _____ Range _____ and was completed on _____ . Top of perforations is at _____ feet.

COUNTY LEA POOL EIGHT MILE DRAW-PERMO PENNSYLVANIAN

TOWNSHIP 11 South RANGE 35 East NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: One completed oil well capable of producing.

Discovery well: Yates Petroleum Corp. Lonestar AAI State #1-K in Sec 19, T11S, R35E, completed Oct. 30, 1984, in Permo Penn formation. Top perf 10,373 ft.

Proposed pool boundary outlined in red.

Section 19: SW/4

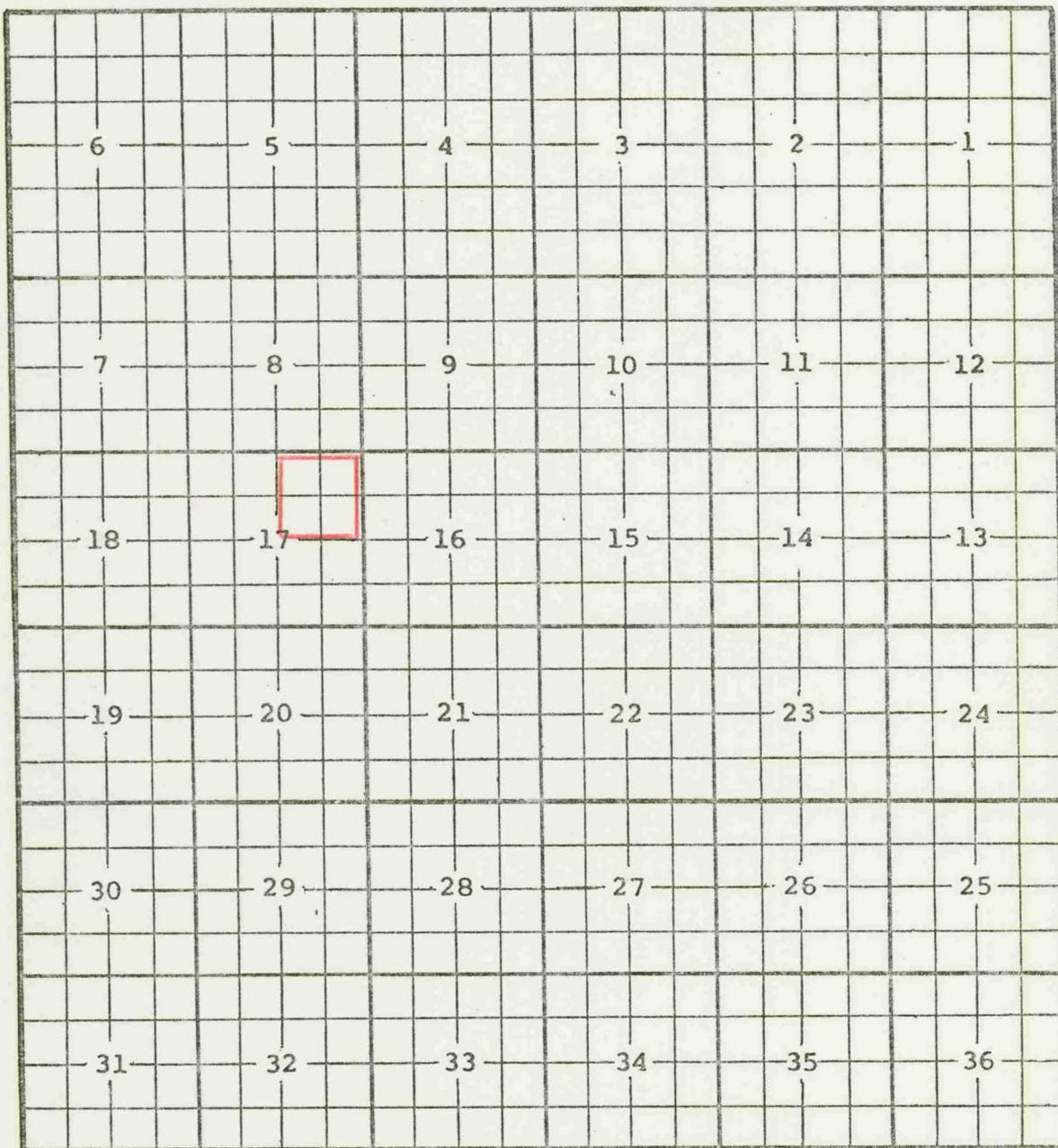
COUNTY LEA

POOL KEMNITZ-ATOKA

TOWNSHIP 16 South

RANGE 34 East

NMPM



PURPOSE: One completed oil well capable of producing.

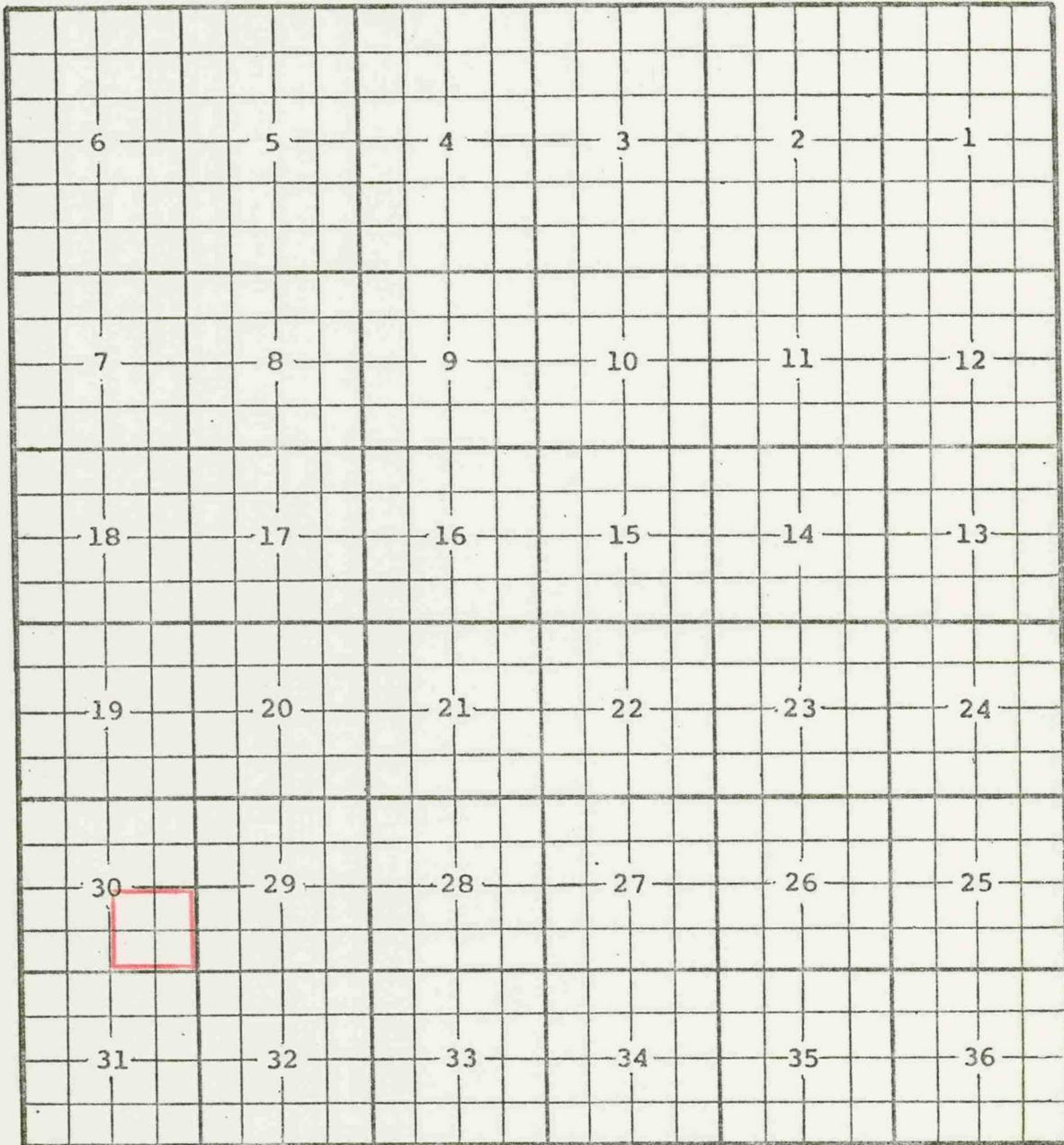
Discovery well: OGR Operating Co. Inc. Kemnitz 17 State #1-H in Sec. 17, T16S, R34E, completed 10/3/84 in Atoka formation. Top perf 12,040 feet.

Proposed pool boundary outlined in red.

Section 17: NE/4

COUNTY LEA POOL EAST SHOE BAR-CHESTER GAS

TOWNSHIP 16 South RANGE 36 East NMPM



Purpose: One completed gas well capable of producing.

Discovery well: Maralo Inc. State K-33 Com #3-0 in Sec 30, T16S, R36E, completed 10/17/84 in the Chester formation. Top perf 11,719 feet.

Proposed pool boundary outlined in red.

Section 30: SE/4

COUNTY ROOSEVELT POOL WEST TUCKER RANCH-CANYON

TOWNSHIP 7 South RANGE 33 East NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: One completed oil well capable of producing.

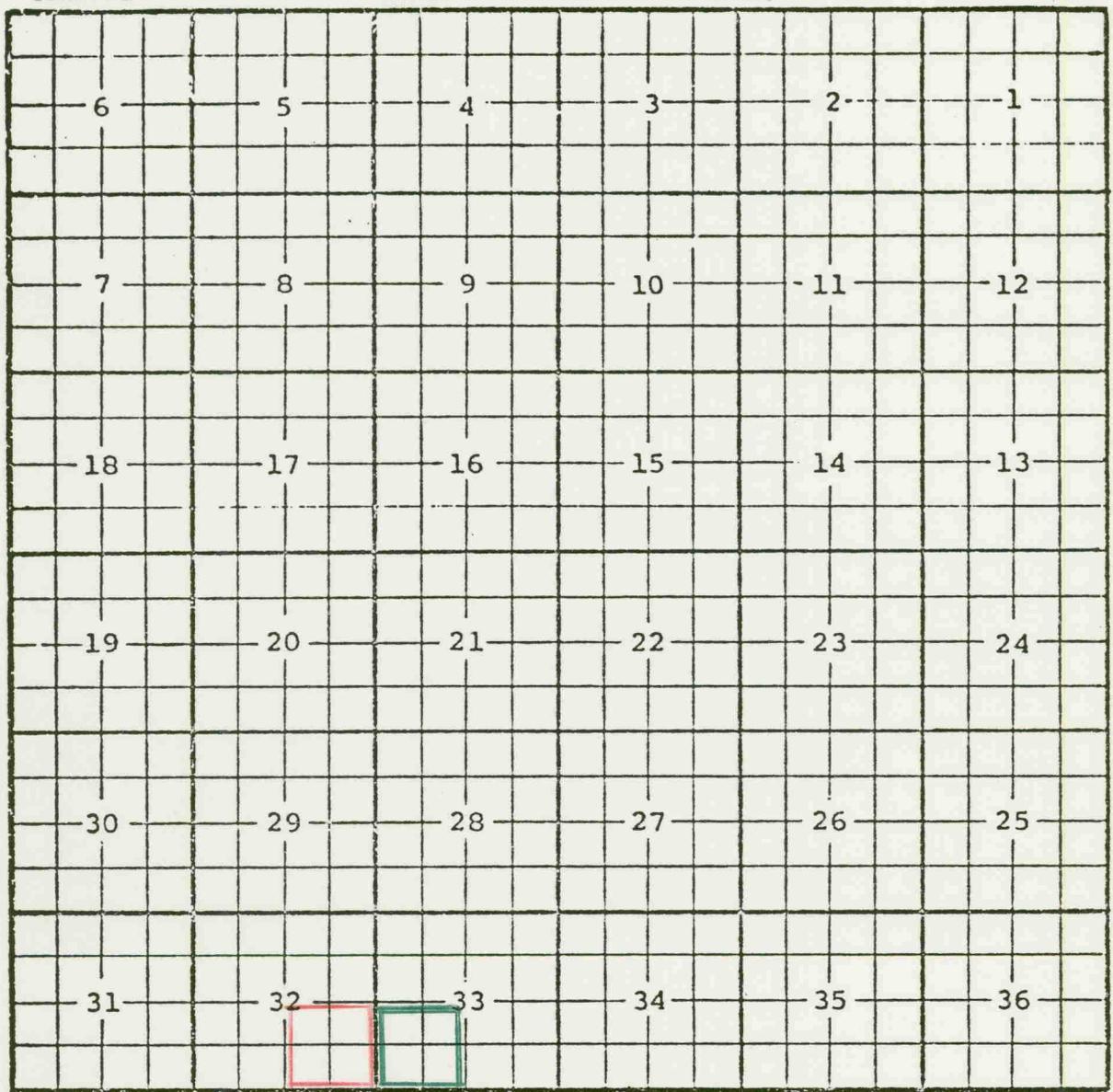
Discovery well: Wallace Oil & Gas Inc. Tucker #2-P in Sec 5, T7S, R33E, completed 9/18/84 in the Canyon formation. Top perf 8961 feet.

Proposed pool boundary outlined in red.

Section 5: SE/4

COUNTY LEA POOL NORTH ANDERSON RANCH-CISCO CANYON

TOWNSHIP 15 South RANGE 32 East NMPM



PURPOSE: Two completed oil wells capable of producing. Union Oil Co. of Calif. State A 33 Well #1-M in Sec 33, T15S, R32E, completed Nov. 7, 1984, in the Canyon formation. Top perf 10,502 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 33: SW/4

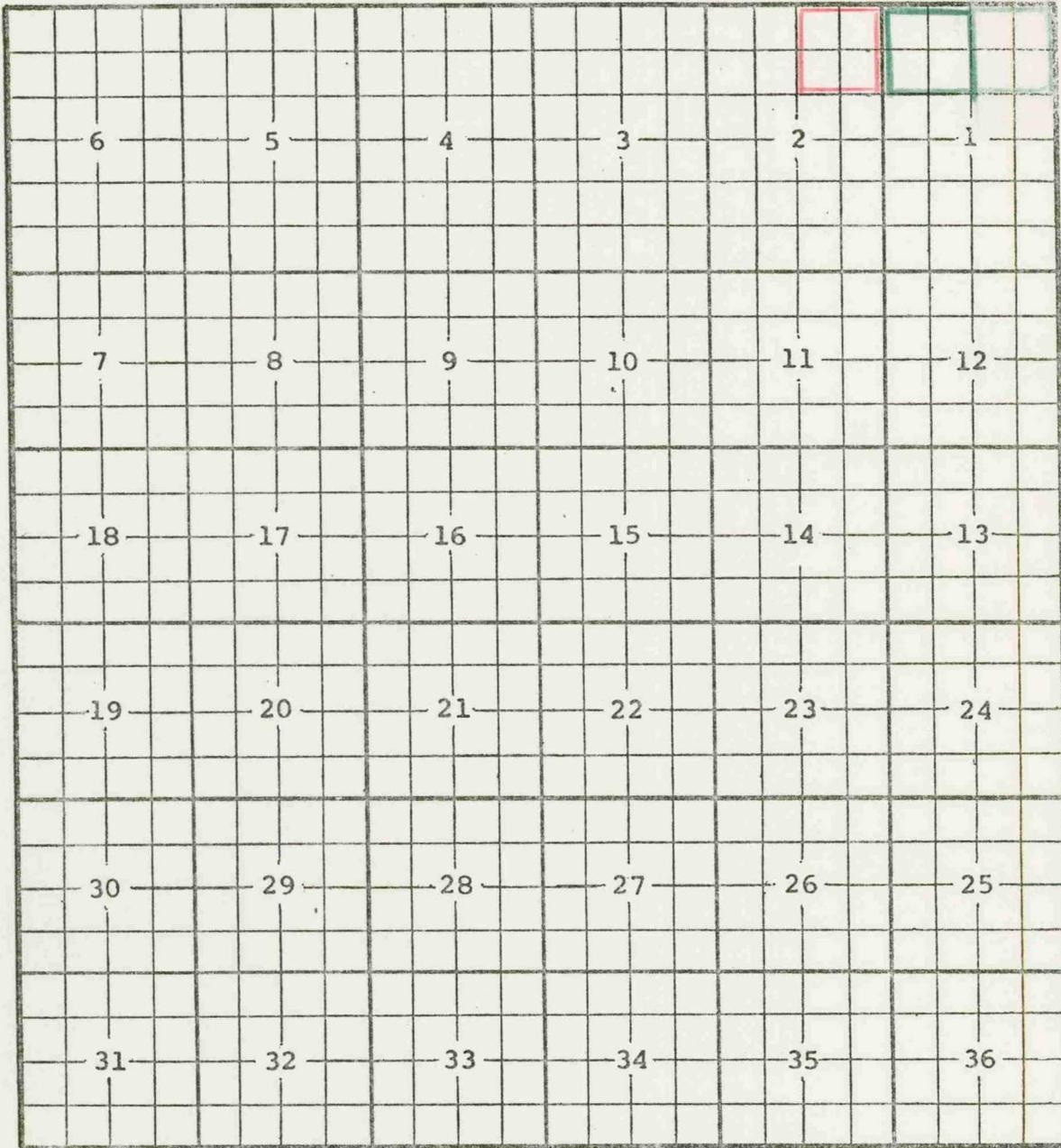
COUNTY LEA

POOL NORTH ANDERSON RANCH-CISCO CANYON

TOWNSHIP 16 South

RANGE 32 East

NMPM

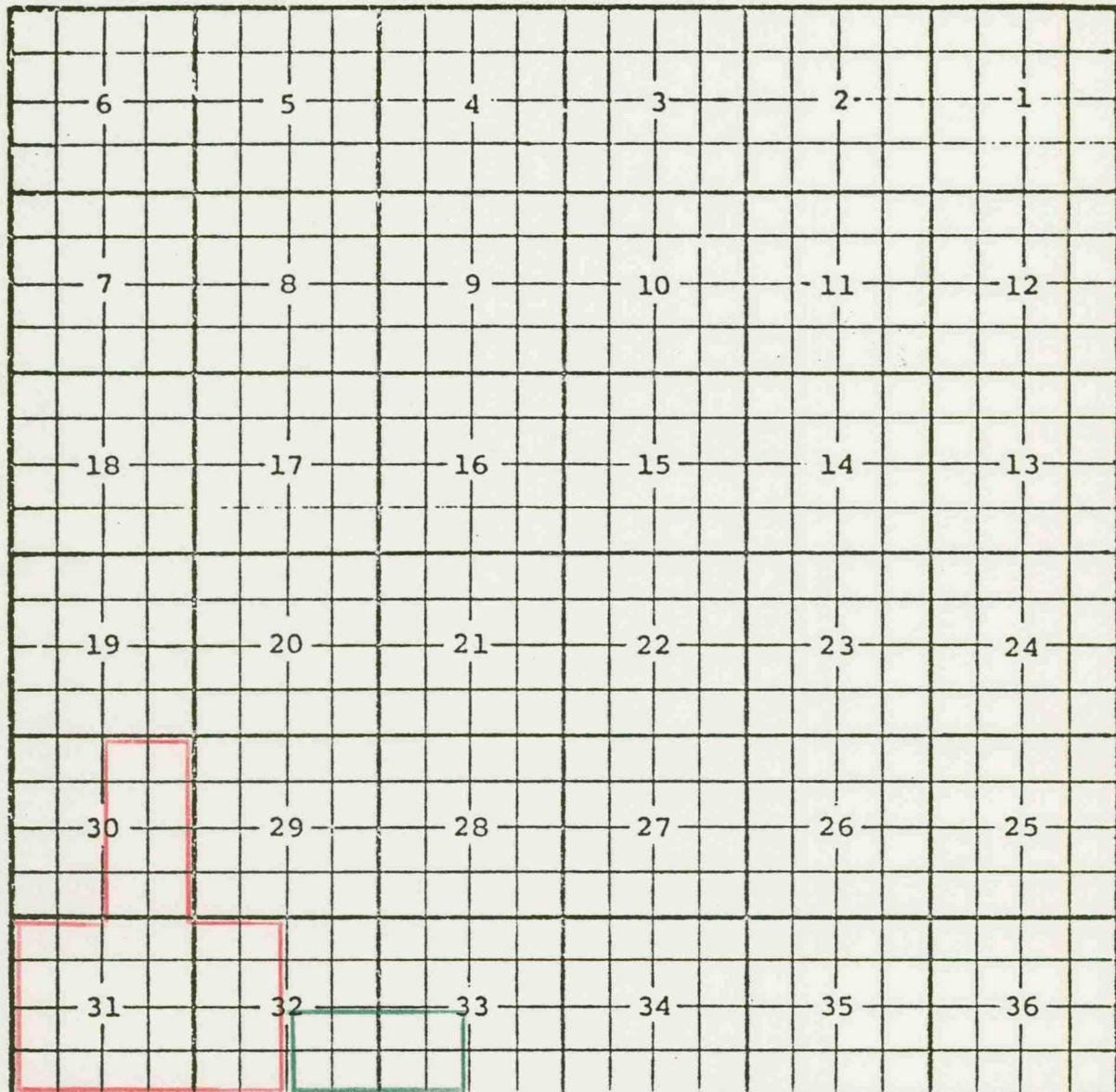


Gulf Oil Corp. Lea R State NCT-A #2-D in Sec 1, T16S, R32E, completed 11/8/84 in the Canyon formation. Top perf 10,509 feet

Proposed pool extension outlined in green: Section 1: NW/4

COUNTY LEA POOL SOUTH BRUNSON-ABO

TOWNSHIP 22 South RANGE 38 East NMPM



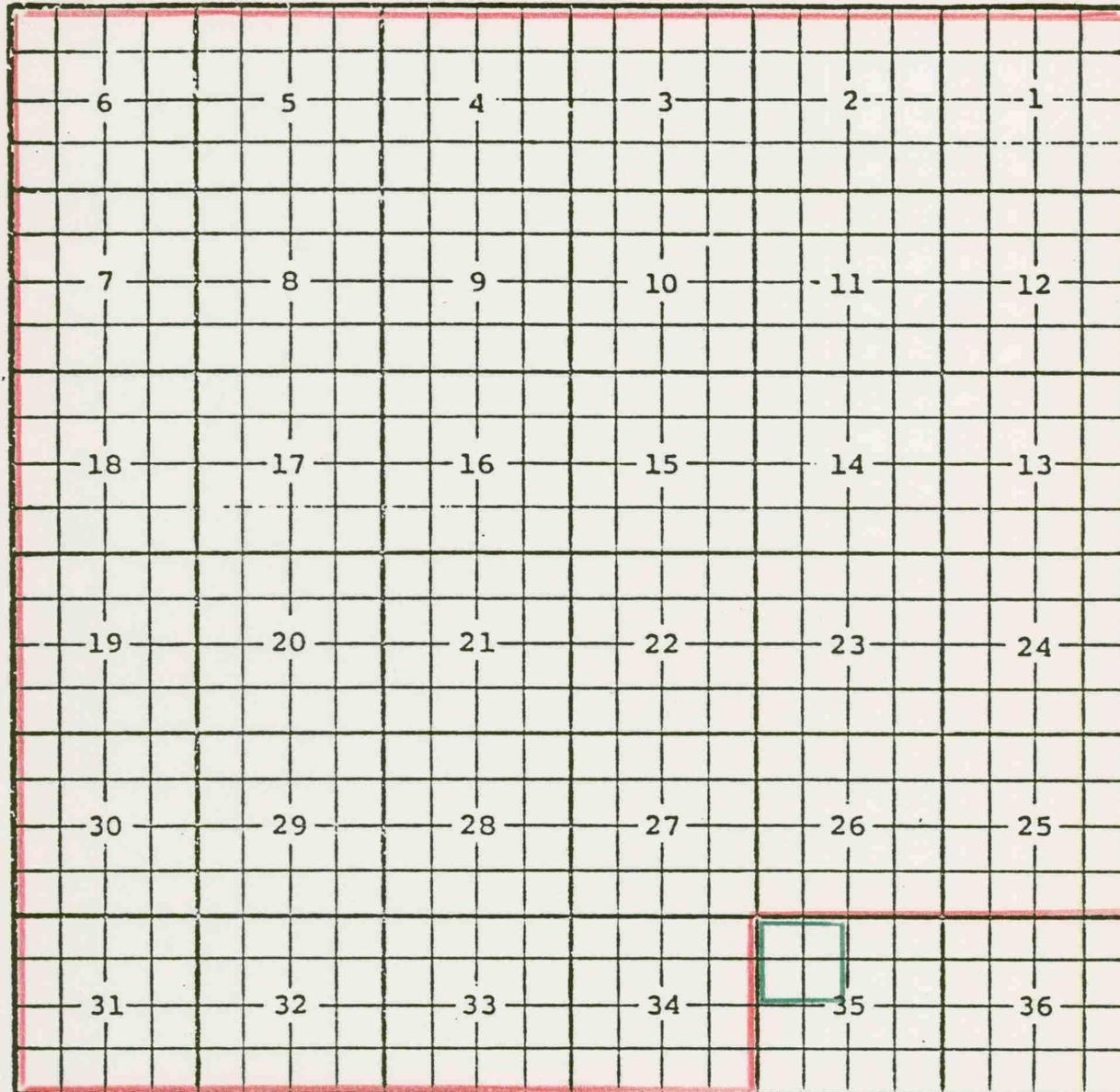
PURPOSE: One completed oil well capable of producing.
 Texaco Inc. A.H. Blinbry Fed NCT-1 Well #42-K in Sec 33, T22S, R38E, completed 11/7/84 in the Abo formation. Top perf 6,790 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 32: SE/4
 SECTION 33: SW/4

COUNTY CHAVES POOL SOUTHEAST CHAVES-QUEEN GAS AREA ASSOCIATED

TOWNSHIP 12 South RANGE 31 East NMPM



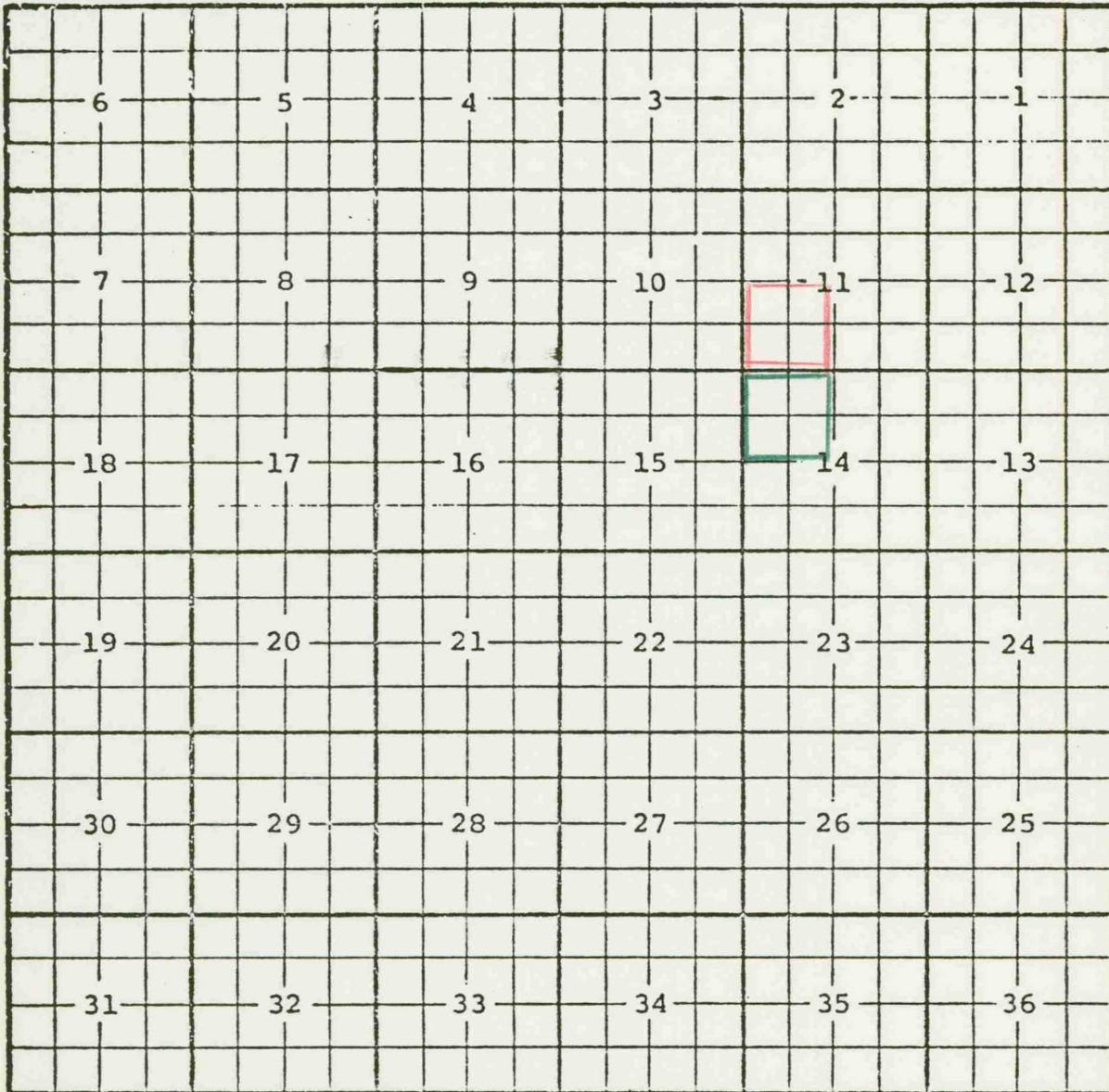
PURPOSE: One completed oil well capable of producing.
 Yates Drilling Company Gallogher State #1-D in Sec 35, T12S, R31E, completed 11/9/84 in the Queen formation. Top perf 2,932 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 35: NW/4

COUNTY ROOSEVELT POOL NORTH CHAVEROO-PERMO PENNSYLVANIAN

TOWNSHIP 7 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

Yates Petroleum Corp. Burgland AAG Well #1-C in Sec 14, T7S, R33E, completed 11/14/84 in the Bough B formation.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 14: NW/4

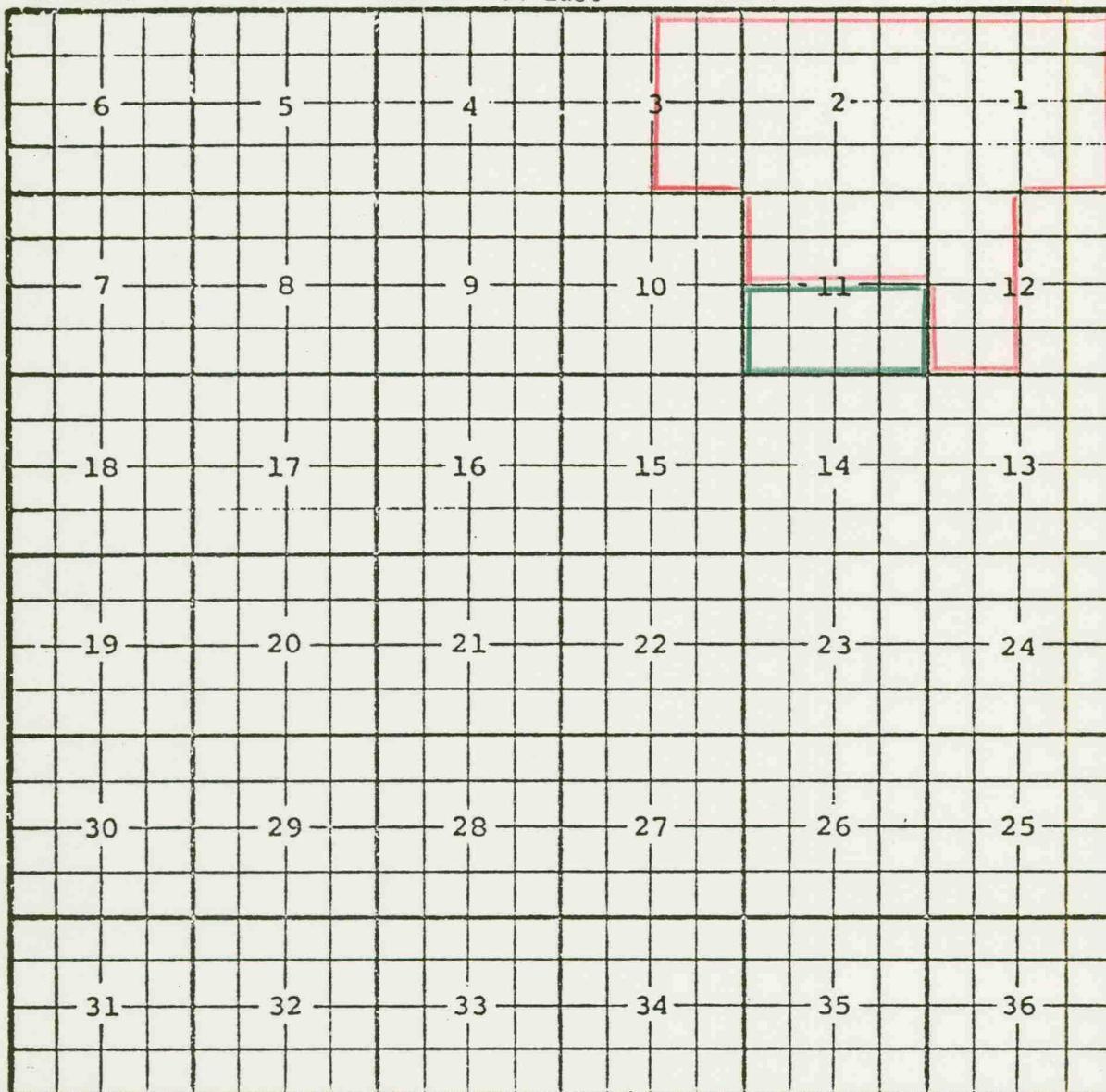
COUNTY LEA

POOL EAST GRAMA RIDGE-MORROW GAS

TOWNSHIP 22 South

RANGE 34 East

NMPM



PURPOSE: One completed gas well capable of producing.

L&B Oil Company, Inc. State Com Well #2-K in Sec 11, T22S, R34E, completed 9/22/84 in the Morrow formation. Top perf 12,800 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 11: S/2

COUNTY LEA

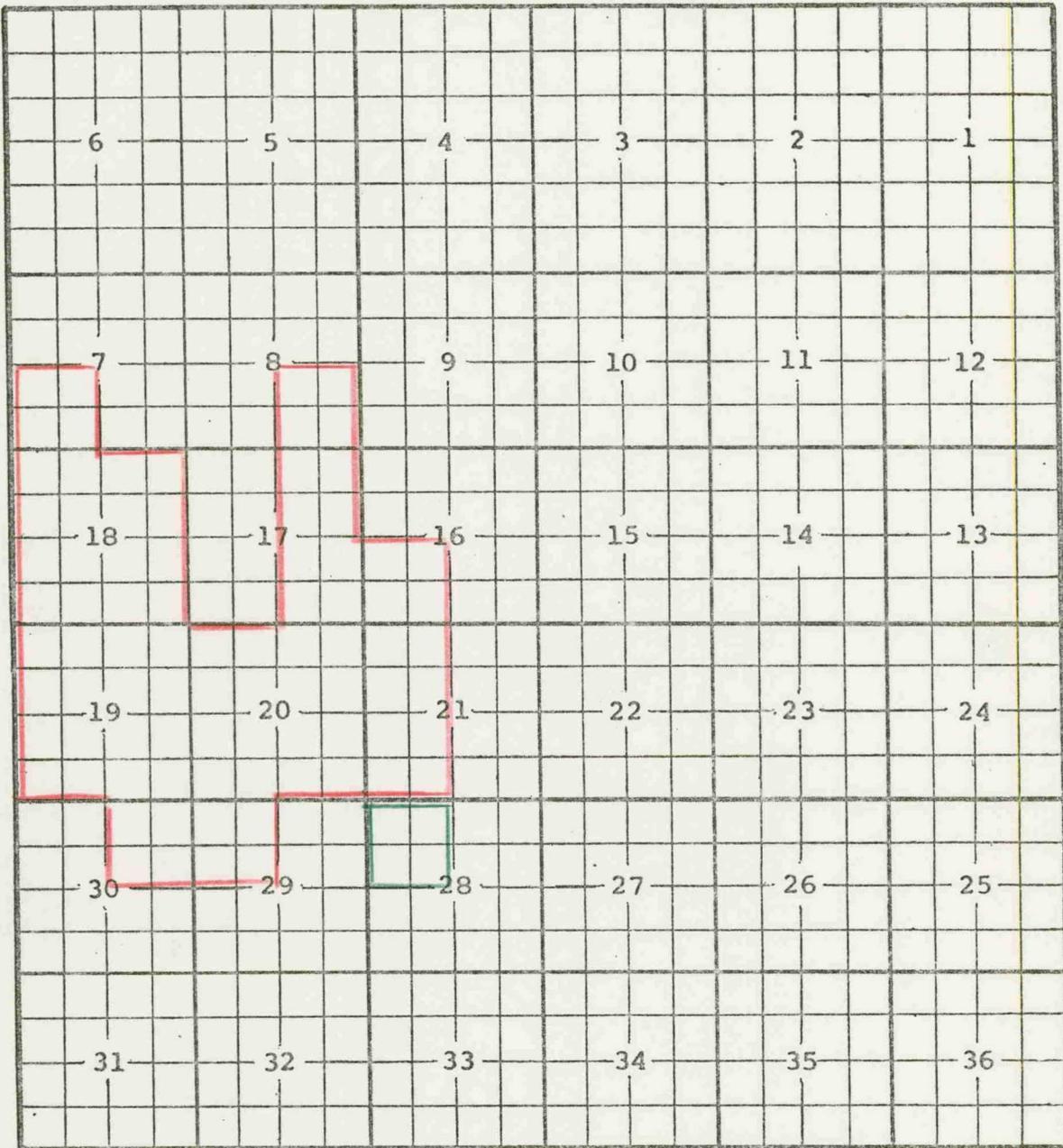
POOL

NORTHEAST LOVINGTON-PENNSYLVANIAN

TOWNSHIP 16 South

RANGE 37 East

NMPM



PURPOSE: One completed oil well capable of producing.

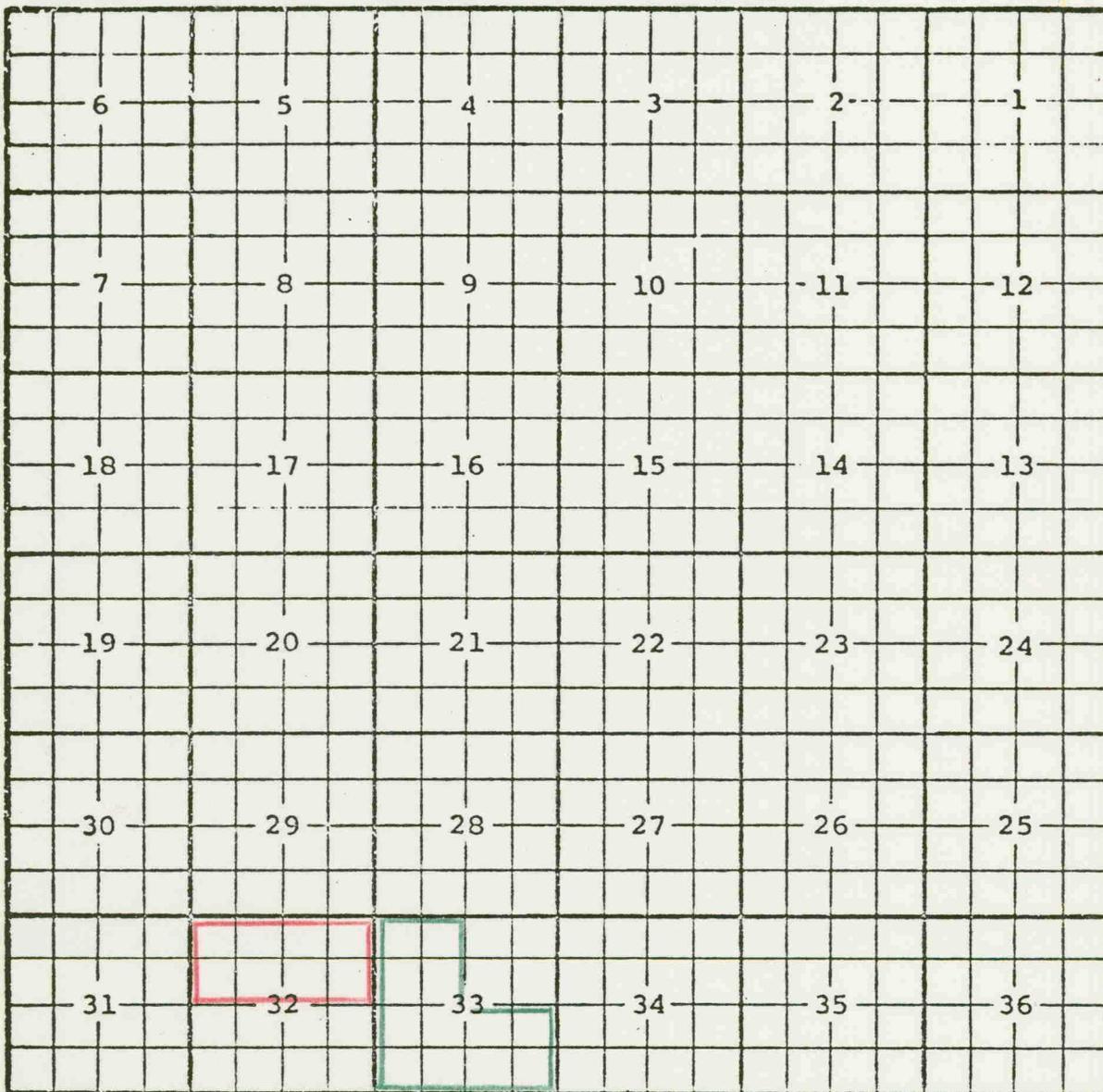
Amerind Oil Co. Speight #1-D in Sec 28, T16S, R37E, completed 9/27/84 in the Strawn formation. Top perf 11,312 feet.

Pool boundary outlined in red.

Proposed pool boundary outlined in green. SECTION 28: NW/4

COUNTY LEA POOL McDONALD-ATOKA GAS

TOWNSHIP 13 South RANGE 36 East NMPM



PURPOSE: One completed gas well capable of producing.

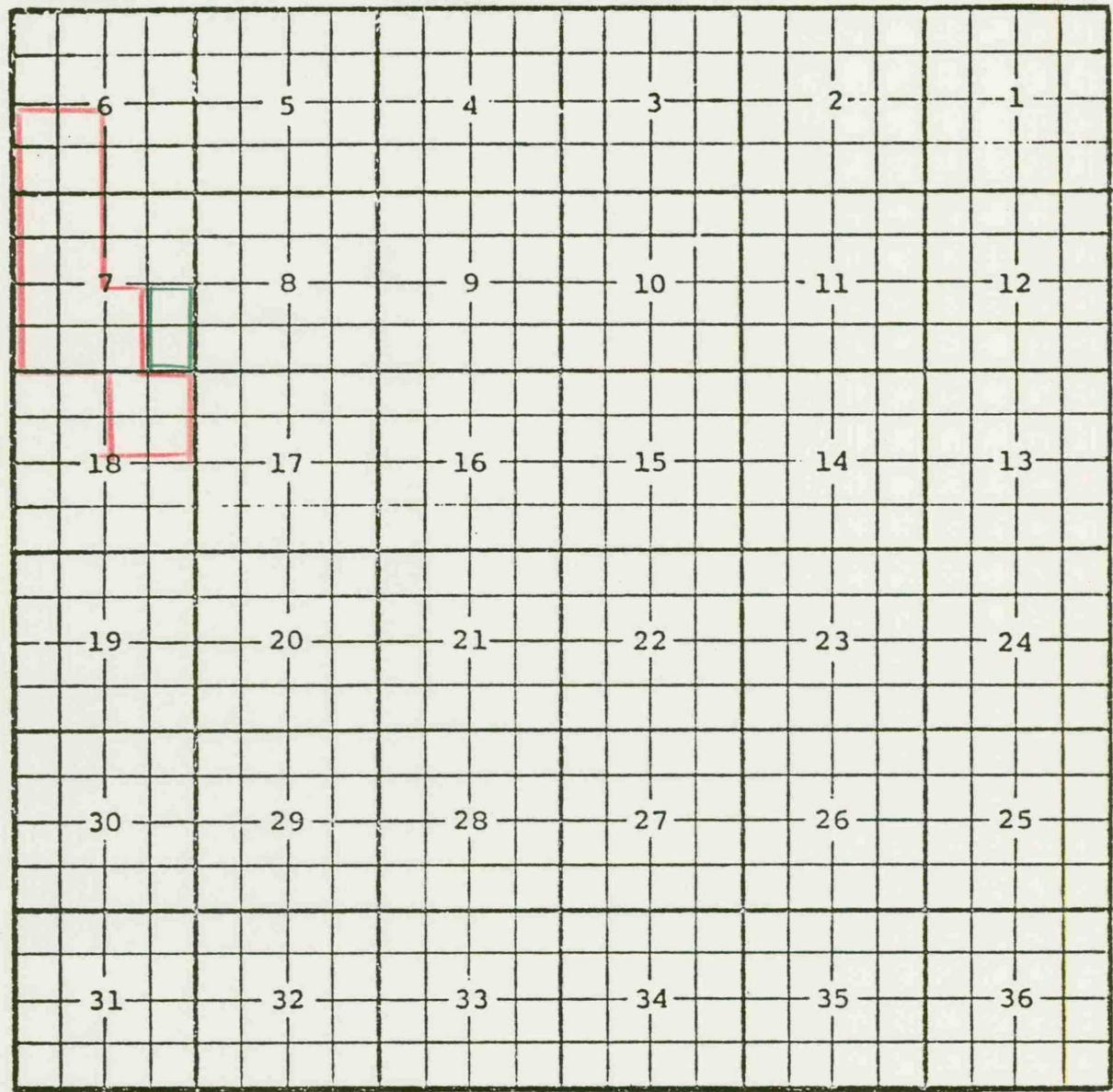
Harvey E. Yates McDonald Unit #1-P in Sec 33, T13S, R36E, completed 3/23/82 in the Atoka formation. Top perf 12,740 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 33: NW/4 & S/2

COUNTY LEA POOL MORTON-WOLFCAMP

TOWNSHIP 15 South RANGE 35 East NMPM



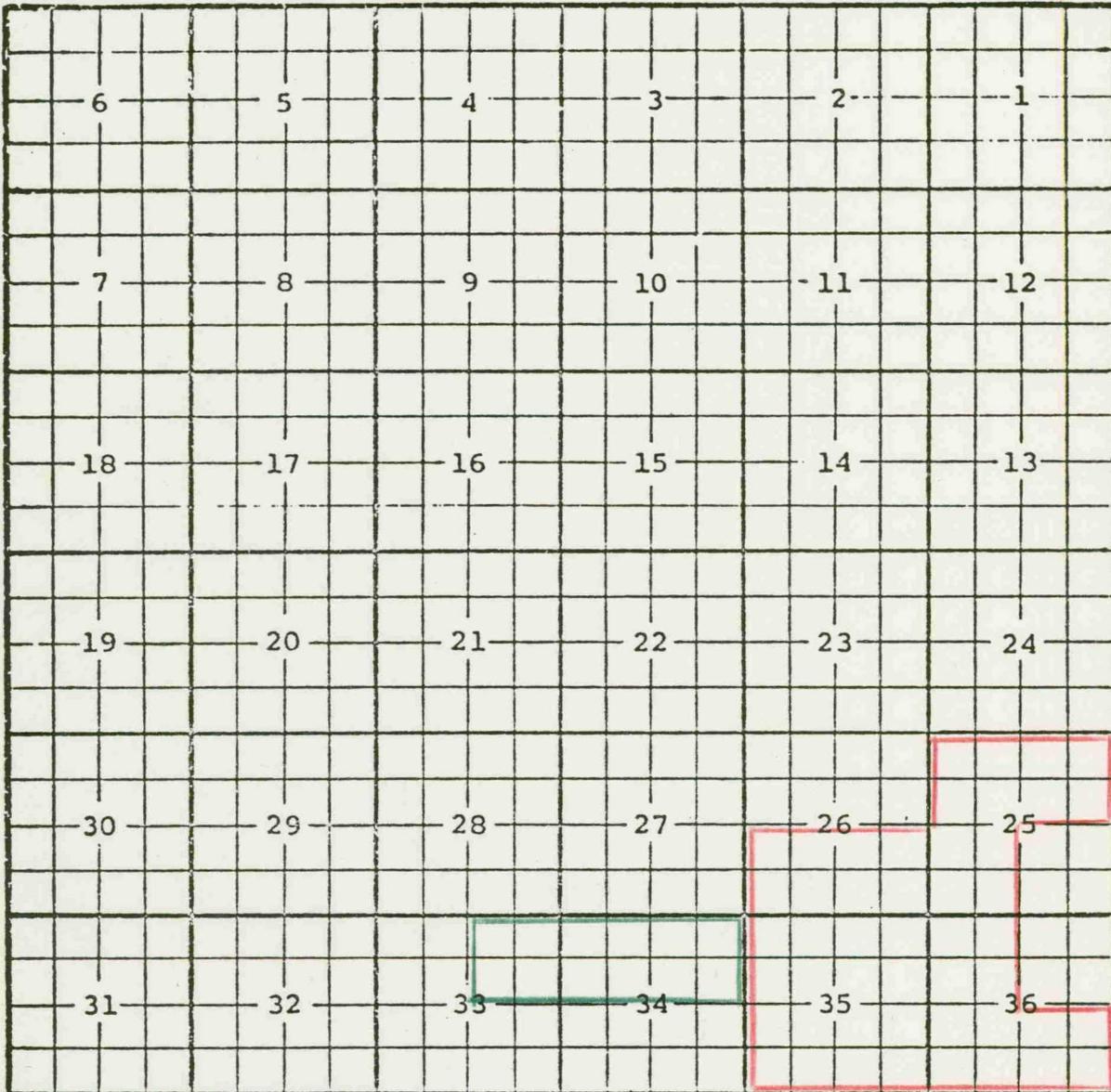
PURPOSE: One completed oil well capable of producing
 Great Western Drlg Co. Glenn Cleveland #2-J in Sec 7, T15S, R35E, completed
 9/25/84 in the Wolfcamp formation. Top perf 10,300 feet. To take in a portion
 of dedicated acreage.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 7: E/2 SE/4

COUNTY LEA POOL PEARL-QUEEN

TOWNSHIP 19 South RANGE 34 East NMPM



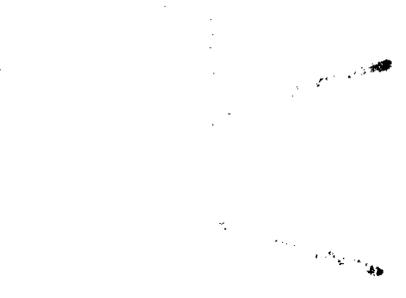
PURPOSE: One completed oil well capable fo producing.

MorOilCo Inc. Stivason Federal #1-A in Sec 33, T19S, R34E, completed 7/10/84 in the Queen formation. Top perf 4511 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 33: NE/4

Section 34: N/2



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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

30 January 1985

EXAMINER HEARING

IN THE MATTER OF:

The Hearing called by the Oil Conservation Division on its motion for an order creating, redesignating and extending certain pools in Chaves, Lea, and Roosevelt Counties, New Mexico.	CASE 8474
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BEFORE: Michael E. Stogner, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division:	Jeff Taylor Attorney at Law Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501
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For the Applicant:

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I N D E X

ROY JOHNSON

Direct Examination by Mr. Taylor 3

Cross Examination by Mr. Stogner 5

E X H I B I T S

Division Exhibit One, Documents 4

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MR. STOGNER: Call next Case Number 8474, which is the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, contracting, redesignating, and extending pools in Chaves, Lea, and Roosevelt Counties, New Mexico.

Call for appearances.

MR. TAYLOR: Mr. Examiner, my name is Jeff Taylor. I'm counsel for the Oil Conservation Commission and I have one witness.

MR. STOGNER: Are there any other appearances?

Please stand and raise your right hand.

(Witness sworn.)

ROY JOHNSON,

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. TAYLOR:

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

A My name is Roy Johnson. I'm a geologist for the Oil Conservation Division in Santa Fe.

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Q Are you prepared to make recommendations to the Examiner concerning the nomenclature of certain pools in Chaves, Lea, and Roosevelt Counties, New Mexico?

A I am.

Q Are your recommendations prepared in the form of an exhibit?

A They are.

Q Would you please refer to this exhibit and to the docket which has been prepared and distributed at the hearing and point out any substantial differences between the two?

A There are no differences.

Q Do you have any further -- anything further to add to your testimony?

A No, I don't.

Q Will you tell me how your exhibit is denominated?

A It's either Exhibit 1 or capital I.

Q We'll call it Exhibit One.

MR. TAYLOR: I'd like to move the admission of Exhibit One.

MR. STOGNER: Exhibit One will be admitted into evidence.

MR. TAYLOR: And I have nothing further.

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CROSS EXAMINATION

BY MR. STOGNER:

Q Mr. Johnson, in Letter I, the extension of the Southeast Chaves Queen Gas Area Associated Pool, what is the dedicated acreage on the -- for a gas well in that particular area?

A I wouldn't know.

Q Is it 320 or 160?

A It says northwest quarter. I bet it's 160, Mike.

Q Thank you, Mr. Johnson.

MR. STOGNER: I have no further questions of this witness.

Is there anything further to come in Case Number 8474?

MR. TAYLOR: No, sir.

MR. STOGNER: If not, this case will be taken under advisement and Mr. Roy Johnson is hereby excused.

This hearing is adjourned.

(Hearing concluded.)

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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY
that the foregoing Transcript of Hearing before the Oil Con-
servation Division was reported by me; that the said tran-
script is a full, true, and correct record of the hearing,
prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 8474
heard by me on 30 January 19 85.
Michael E. Steyer, Examiner
Oil Conservation Division