

CASE 41711

SOUTHEASTERN NEW MEXICO
NOMENCLATURE

Order to Long Beach -
Olive Ann
7-23-69
H

Case Number.

4171

Application

Transcripts.

Small Exhibits

ETC.

dearnley-meier reporting service, inc.

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

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6671 • ALBUQUERQUE, NEW MEXICO



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 16, 1969

REGULAR HEARING

IN THE MATTER OF:)
)
)

Southeast nomenclature case)
calling for an order for the)
creation, extension and con-)
traction of certain pools in)
Lea, Eddy, Roosevelt and)
Chaves Counties, New Mexico;)
and for the assignment of)
certain discovery allowable.)

CASE NO. 4171

BEFORE: A. L. Porter, Jr., Secretary-Director.

TRANSCRIPT OF HEARING

MR. PORTER: Case No. 4171.

MR. HATCH: Case 4171: Southeast nomenclature case calling for an order for the creation, extension, and contraction of certain pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico; and for the assignment of certain discovery allowable.

JOE D. RAMEY,

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

DIRECT EXAMINATION

BY MR. HATCH:

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

A Joe Ramey; Supervisor of District One.

Q Are you prepared to make recommendations to the Commission concerning the creation, extension and contraction of certain pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico?

A Yes, I am.

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

A Yes; this is Southeast New Mexico nomenclature

exhibit, paragraphs A through T.

Q Please refer to Exhibit 1 and point out any corrections that need to be made in the docket that has been distributed here today.

A In Paragraph D, I have an addition under Township 12 South, Range 34 East, Section 6, in the Southeast Quarter.

And in Paragraph F -- addition, Township 8 South, Range 32 East, Section 36, in the Southeast Quarter.

And Six in Paragraph G -- it is recommended that this be dismissed. This is now under consideration by the Commission, under Case 3975.

MR. PORTER: Which paragraph?

THE WITNESS: Paragraph G.

I have an addition in Paragraph K -- Township 11 South, Range 34 East, Section 9, Northwest Quarter. In addition, in Paragraph L, in Township 16 South, Range 37 East, Section 17, the Southeast Quarter. And in Paragraph S, the applicant, Pan American, will put on testimony for that. And Paragraph T, as a matter of explanation; this was first advertised under Case 4130, Paragraph D and E for the May, 1969, hearing, which called for the abolishment of Wantz-Abo and the extending of the vertical limits

and redesignation of the Drinkard Pool. It is recommended that this be dismissed at this time.

MR. HATCH: And you recommend that the other paragraphs with the exception of Paragraph S be as you have corrected them here?

THE WITNESS: Yes. The rest are shown on the docket.

Q (By Mr. Hatch) Was Exhibit 1 prepared by you or someone under your supervision?

A Yes.

MR. HATCH: I would like to move the introduction of Exhibit 1 in evidence.

MR. PORTER: Without objection, the exhibit will be admitted.

Now, you have recommended the dismissal of Paragraph G and R; is that correct?

MR. HATCH: No. He has not recommended the dismissal of Paragraph R.

THE WITNESS: Just G.

MR. HATCH: Now, he is recommending the dismissal of, if I understand it correctly, of the case for the abolishment of the Wantz-Abo Pool and the extension of the -- the vertical limits of the Drinkard Pool

and the redesignation of the Drinkard Pool, originally advertised as Paragraphs D and E, in Case 4130 heard in May and it was continued for further study until this time, and now he is recommending that those cases be dismissed.

MR. PORTER: Mr. Kapteina, do you understand the proposed extension revision and so forth that are to be dismissed?

THE WITNESS: Yes, sir.

MR. PORTER: Does anyone have any questions of the witness? And I understand we have an operator here who will present testimony in Paragraph S.

MR. BUELL: May it please the Commission, that operator is Pan American Petroleum Corporation, and I would like to enter my appearance; Guy Buell. We have one witness; Mr. Ford.

MR. PORTER: Any other appearances? You may have your witness sworn.

(Witness sworn.)

MR. BUELL: May it please the Commission, a brief statement might be in order here to explain the background as to why we are here today.

The well, which is the subject matter of this hearing here today; the well for which we are asking this discovery allowable -- it's our Plains Unit Federal

No. 7. Whenever we originally completed that well, it did not have the capacity to produce the discovery allowable so we did not request the discovery allowable of the Commission. I believe the Commission staff recognized it as being completed and they knew had virgin source of Delaware oil, and the Commission has given it a new pool designation of the Rusk-Delaware. Subsequent to completing it, we have worked the well over and the well is now a very capable well and that is more or less the reason for our late or tardy application for discovery allowable to be assigned.

MR. PORTER: But the Rusk-Delaware Pool has been created as a result of this discovery?

MR. BUELL: Yes, sir. Also, initially, on completion Well No. 7 made some water. We have now drilled an offset on the southeast of No. 7, our Plains Unit Federal No. 9. It also made water on completion. In view of that, the Commission staff was concerned, and in my opinion rightfully so, about whether or not waste would result in view of this water production should the Commission assign on addition to the normal unit allowable the incremental daily discovery allowable. So, our purpose here today is to show the Commission the results

of our study in that regard.

MR. PORTER: I see.

GEORGE H. FORD,

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

DIRECT EXAMINATION

BY MR. BUELL:

Q Mr. Ford, will you state your complete name, by whom you are employed, and in what capacity and in what location?

A George H. Ford, Staff Engineer for Pan American Petroleum Corporation, Fort Worth, Texas.

Q Mr. Ford, you have testified at many previous Commissions, and your qualifications as a petroleum engineer is a matter of record; aren't they?

A Yes, sir, that is correct.

Q Now, with reference to the subject matter of this case here today, let me ask you this. Have you made a study of Pan American Plains Use Federal Well No. 7 and 9?

A Yes, sir, I have.

Q Have you also made a study of other Delaware reservoirs in this area in New Mexico and Texas?

A Yes, sir, I have.

Q Let me ask you at the outset your opinion as a reservoir engineer as to whether or not waste would result and should the Commission assign discovery allowable to our No. 7 well?

A No; in my opinion it would not.

Q It might be of benefit to the Commission and the record and the staff, if you would briefly discuss the producing history of Well No. 7; the subject well that we are discussing here today.

A All right, sir.

Plains Unit Federal, Well No. 7 in the Northwest Quarter of the Northwest Quarter, are Unit D of Section 33, Township 19 South, Range 32 East, in Lea County, New Mexico. We completed this well, or recompleted a much deeper formation in December of 1968. On potential test in a twelve hour period, we got 105 barrels of oil and six barrels of water. We have simulated the well to 500 gallons of mud acid and fracked it to 5000 gallons of lease crude. The well immediately started declining in production, and we decided not to ask the Commission for a discovery allowable, because we didn't think we could produce that discovery allowable. By

May of 1969, we were down to 30 barrels per day of oil and one barrel a day of water. At that time we decided to work the well over, and in June of 1969 we re-fracked it with 15,000 gallons of lease oil. We had a very successful workover. On June 17, 1969, we had a test flooring of 116 barrels of oil per day, plus zero barrels of water per day -- we completely eliminated the water production. The next day, on June 18, 1969, the well flowed 210 barrels of oil in twenty hours -- again, zero barrels of water per day, and I want to give you the choke sizes of the subwater on this test. It was a twenty sixty-four choke, and our flowing tubing pressure was 390 pounds. Then, the last test I had to give to the Commission is June 22, 1969. The well flowed 150 barrels of oil per day, still zero barrels of water per day, and I have a water test on this one of 760 cubic feet per barrel.

Q Mr. Ford, this well has been completed or perforated at anywhere near a substantial water aquifer, after the frack job, your water production would probably increase instead of decrease?

A Yes; it would.

Q All right, sir. Would you briefly discuss the history of our Plains Unit Federal No. 9 Well; the Southeast

offset --

A All right. That well was potentially tested on May 28, 1969, pumping 170 barrels of oil per day plus 130 barrels of water per day, with a GOR of 335 cubic feet per barrel. Then, the last test I have on it is June 18, 1969; it was pumping 105 barrels of oil per day, plus 27 barrels of water per day, with a GOR of 362 cubic feet per barrel. So, the water production has decreased from 103 to 27 barrels of water per day.

Q So, in the discovery well, the water production, after workover, went to zero, and the offset -- well, it hasn't reached zero yet, it's just declining?

A It is declining; yes, sir.

Q Let me ask you this, Mr. Ford. Based on your studies of the Delaware Pool, does the water production seem to be a characteristic of Delaware oil wells?

A Yes; water production is characteristic, but the -- they are not water-drive mechanism; they are solution gas drive reservoirs -- all of them I have studied.

Q It might be of benefit to the staff and the Commission if you would briefly review some of the other Delaware Pools that you have looked at to see what their characteristics were.

A All right. The Shugart, S-H-U-G-A-R-T, Delaware Pool is about seven miles northwest of our Lusk Delaware. That pool has made water since about 1957, when it was first discovered. It is a solution gas-drive reservoir. The five miles have averaged now about 75 plus barrels of oil -- cumulative production. Then, I went down to a Delaware Trend, which is along the Pecos River, about fifty miles south of this particular area of Lusk Delaware, and looked at a number of Delaware fields in the Delaware Basin. The first one I would like to mention is Quito, Q-U-I-T-O, Delaware Pool, in Ward County. This is a high water producer, and it is a solution gas-drive reservoir. In the Duprez field, in Ward and Loving Counties -- it's a high water producer and it's a solution gas-drive reservoir. Then, the El Mar -- that's two words -- E-L M-A-R -- in Loving County, and it extends on into Lea County, New Mexico. It's a solution gas drive reservoir. The Grice, G-R-I-C-E, Delaware Pool, in Loving County, very near El Mar, is a solution gas-drive pool. The Waha, W-A-H-A, Pool in Pecos and Reeves Counties -- is a high water producing field, and it is a solution gas-drive reservoir.

Q Mr. Ford, based on the performance of the two

wells in the Lusk Delaware Pool, as well as your review of these other Delaware reservoirs, do you feel that this Commission can assign a discovery allowable to our No. 7 Well, with complete confidence that waste will not result by such an assignment?

A Yes, sir, I do. That discovery allowable we are requesting is 23,560 barrels of oil, figured at five barrels per foot of depth to 4712 -- the top of the perforations of the well. Over a two-year period, that would amount to about thirty-two plus barrels of oil per day, and with the Commission setting the factor for August, the thirty-two --

Q Sixty-two.

A Sixty-two. If they do approve this discovery application, that would be ninety-four barrels per day, from the Plains Unit Federal No. 7, and if tested for 105 barrels of oil per day -- pardon me, not 105 -- that's No. 9. No. 7 tested for 150 barrels of oil per day, plus zero barrels of water.

Q Do you have anything else you would care to add, Mr. Ford?

A No, sir.

MR. BUELL: May it please the Commission, that

concludes our direct evidence at this time.

MR. PORTER: Any questions of Mr. Ford? Mr.

Nutter.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Ford, would it be your interpretation of the Delaware Reservoir down in this area that they are solution gas-drive, but produce volumes of water, would be a connate water situation in the reservoirs?

A Yes; they seem to be a rather high water saturation. When you make wild calculations, you run up to forty per cent, and on some of the little zones in there, they run up to sixty per cent -- some of those won't produce, but most of those for these Delawares that I quoted, the water saturation, initially, was around forty per cent.

Q And this is distributed throughout the reservoir?

A Throughout these individual zones of the Delaware group.

Q And there wouldn't be a decline of oil-water contact then in the Sands?

A Not in this particular one. We have not found a water-oil content. In some of these fields that I mentioned, they may have found oil-water contact in some of

them -- in some of these zones throughout the Delaware, I didn't get that far in my study.

Q But there is no evidence of an active water-drive?

A No, sir.

Q So, if it is a connate water situation, with the saturation distributed through the pay, then you wouldn't have a coning situation develop if you withdrew at rates --

A No, sir; you would not.

Q -- in excess of --

A No, sir. I don't think we have to worry about coning at all in this well.

MR. NUTTER: I see. I believe that's all.
Thank you.

MR. PORTER: Any further questions?

The witness may be excused.

Does anyone have anything further to offer on this nomenclature case? If not, the Commission will dismiss those portions of the case as advertised and as recommended by Mr. Ramey, and take the balance of the case under advisement.

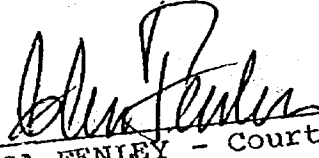
The hearing is adjourned.

I N D E X

<u>WITNESS</u>	<u>PAGE</u>
JOE D. RAMEY	
Direct Examination	2
GEORGE H. FORD	
Direct Examination	7
Cross Examination	13

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO)

I, CA FENLEY, Court Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.


CA FENLEY - Court Reporter

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4171
Order No. R-3802

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING, CONTRACTING, CONSOLIDATING,
AND EXTENDING CERTAIN POOLS IN CHAVES,
EDDY, LEA, AND ROOSEVELT COUNTIES, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 16, 1969,
at Santa Fe, New Mexico, before the Oil Conservation Commission
of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 23rd day of July, 1969, 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 oil pool
in Chaves County, New Mexico, for the production of oil from the
Queen formation, said pool to bear the designation of Double L-
Queen Pool. Said Double L-Queen Pool was discovered by the
Dalport Oil Corporation Spurck State Well No. 2, located in Unit
H of Section 36, Township 14 South, Range 29 East, NMPM. It was
completed in the Queen formation on April 16, 1969. The top of
the perforations is at 1929 feet.

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

-2-

CASE No. 4171

Order No. R-3802

Wolfcamp formation, said pool to bear the designation of East Morton-Wolfcamp Pool. Said East Morton-Wolfcamp Pool was discovered by the Union Oil Company of California Owens Well No. 1, located in Unit G of Section 34, Township 14 South, Range 35 East, NMPM. It was completed in the Wolfcamp formation on May 5, 1969. The depth to the casing shoe is at 10,630 feet.

(4) That there is need for the contraction of the Monument Grayburg-San Andres Pool in Lea County, New Mexico, by the deletion of certain acreage in order that the deleted acreage may be included in the Eunice Grayburg-San Andres Pool.

(5) That the proposed consolidation of the Wantz-Abo Pool and the Drinkard Pool in Lea County, New Mexico, continued from the May 14, 1969, hearing should be dismissed.

(6) That approximately 23,560 barrels of oil discovery allowable should be assigned to the discovery well for the previously designated Lusk-Delaware Pool in Lea County, New Mexico, the Pan American Petroleum Corporation's Plains Unit Federal Well No. 7, located in Unit D of Section 33, Township 19 South, Range 32 East, NMPM.

(7) That there is need for certain extensions to the Bar U-Pennsylvanian Pool in Lea and Chaves Counties, New Mexico, the Sulimar-Queen Pool in Chaves County, New Mexico, the Eagle Creek-San Andres Pool, the West Henshaw-Grayburg Pool, the Shugart Pool, and the Springs-Upper Pennsylvanian Gas Pool, all in Eddy County, New Mexico, the Arkansas Junction-San Andres Pool, the East Bagley-Pennsylvanian Pool, the North Bagley-Lower Pennsylvanian Pool, the Cerca-Upper Pennsylvanian Pool, the Eunice Grayburg-San Andres Pool, the Inbe Permo-Pennsylvanian Pool, the East Lovington-Pennsylvanian Pool, and the North Mescalero-Cisco Pool, all in Lea County, New Mexico. Further that the proposed extension to the East Bluitt-San Andres Pool in Roosevelt County, New Mexico, should be dismissed inasmuch as the Bluitt area is under study in Case 3975.

IT IS THEREFORE ORDERED:

(a) That a new pool in Chaves County, New Mexico, classified as an oil pool for Queen production, is hereby created and designated as the Double L-Queen Pool, consisting of the following-described area:

-3-

CASE No. 4171

Order No. R-3802

(a) Continued from Page 2:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
Section 36: SE/4 NE/4

(b) That a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production, is hereby created and designated as the East Morton-Wolfcamp Pool, consisting of the following-described area:

TOWNSHIP 14 SOUTH, RANGE 35 EAST, NMPM
Section 34: NE/4

(c) That the Arkansas Junction-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 12: NE/4

(d) That the East Bagley-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
Section 31: SE/4

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 5: NW/4
Section 6: E/2

(e) That the North Bagley-Lower Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
Section 8: NW/4

(f) That the Bar U-Pennsylvanian Pool in Chaves and Lea Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
Section 36: SE/4

-4-

CASE No. 4171

Order No. R-3802

(f) Continued from Page 3:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
Section 12: NW/4

(g) That the proposed extension of the East Bluit-San Andres Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, to include therein:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
Section 19: NW/4

is hereby dismissed.

(h) That the Cerca-Upper Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
Section 9: NW/4

(i) That the Eagle Creek-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 23: NW/4 SE/4

(j) That the West Henshaw-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM
Section 18: SE/4 SW/4

(k) That the Inbe Permo-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
Section 28: NE/4

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
Section 9: NW/4

-5-

CASE No. 4171

Order No. R-3802

(l) That the East Lovington-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Section 16: SW/4

Section 17: SE/4

Section 21: NW/4

(m) That the North Mescalero-Cisco Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM

Section 10: SE/4

(n) That the Shugart Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM

Section 25: W/2 NE/4

(o) That the Springs-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM

Section 2: Lots 3, 4, 5, 6, 11, 12, 13,
and 14

(p) That the Sulimar-Queen Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 24: W/2 and SE/4

(q) That the Monument Grayburg-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following-described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 19: N/2 NW/4

Section 20: N/2 N/2

Section 21: N/2 NW/4

-6-

CASE No. 4171

Order No. R-3802

(r) That the Eunice Grayburg-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 19: N/2 NW/4

Section 20: N/2 N/2

Section 21: N/2 NW/4

(s) That the discovery well for the previously designated Lusk-Delaware Pool in Lea County, New Mexico, the Pan American Petroleum Corporation's Plains Unit Federal Well No. 7, located in Unit D of Section 33, Township 19 South, Range 32 East, NMPM, is hereby authorized an oil discovery allowable of 23,560 barrels to be assigned to said well at the rate of 33 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

(t) That the proposed consolidation of the Wantz-Abo Pool and the Drinkard Pool in Lea County, New Mexico, is hereby dismissed.

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations, contractions, consolidations, assignments of oil discovery allowable, and extensions included herein shall be August 1, 1969.

-7-

CASE No. 4171


Order No. R-3802

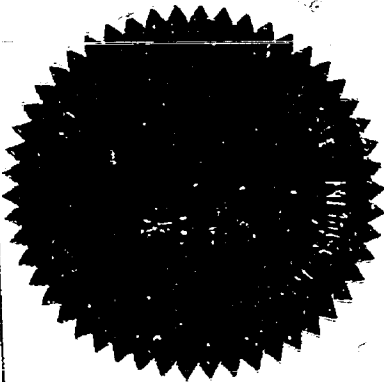
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMIJO, Member


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



esr/

Docket No. 20-69

DOCKET: REGULAR HEARING - WEDNESDAY - JULY 16, 1969

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

- ALLOWABLE: (1) Consideration of the oil allowable for August, 1969;
- (2) Consideration of the allowable production of gas for August, 1969, from fourteen prorated pools in Lea, Eddy, Chaves 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 August, 1969.

CASE 3859: (Rehearing) Continued to the October 15, 1969, Regular Hearing

Application of Wilson Oil Company for an exception to Order No. R-3221, as amended, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Commission Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico, after January 1, 1969. Said exception would be for applicant's leases in Sections 13, 23, and 24 of Township 21 South, Range 34 East, and Sections 7 and 18 of Township 21 South, Range 35 East, Wilson Yates-Seven Rivers Pool, Lea County, New Mexico. Applicant seeks authority to continue to dispose of produced water in seven unlined surface pits located in the center of the W/2 of said Section 13, center of the W/2 SE/4 of said Section 13, SW/4 NE/4 of said Section 23, center of SW/4 of said Section 24, center of NE/4 of said Section 7, NE/4 SW/4 of said Section 7, NW/4 NW/4 of said Section 18. In the alternative, applicant seeks an extension of time in which to comply with the provisions of said order.

CASE 4017: (De Novo) Continued from the June 13, 1969, Regular Hearing

Application of Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying Section 8, Township 21 South, Range 24 East, North Indian Hills-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled in the SE/4 of said Section 8. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well. Upon application of David Fasken, this case will be heard De Novo under the provisions of Rule 1220.

CASE 4043: (De Novo) Continued from the June 13, 1969, Regular Hearing

Application of David Fasken for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying Section 8, Township 21 South, Range 24 East, North Indian Hills-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled 1980 feet from the North line and 2105 feet from the East line of said Section 8. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well. Upon application of David Fasken, this case will be heard De Novo under the provisions of Rule 1220.

CASE 4171: Southeast nomenclature case calling for an order for the creation, extension, and contraction of certain pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico; and for the assignment of certain discovery allowable.

(a) Create a new pool in Chaves County, New Mexico, classified as an oil pool for Queen production and designated as the Double L-Queen Pool. The discovery well is Dalport Oil Corp., Spurck State No. 2 located in Unit H of Section 36, Township 14 South, Range 29 East, NMPM. Said pool described as:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
SECTION 36: SE/4 NE/4

(b) Create a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the East Morton-Wolfcamp Pool. The discovery well is Union Oil Co. of California, Owens No. 1 located in Unit G of Section 34, Township 14 South, Range 35 East, NMPM. Said pool described as:

TOWNSHIP 14 SOUTH, RANGE 35 EAST, NMPM
SECTION 34: NE/4

(c) Extend the Arkansas Junction-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
SECTION 12: NE/4

(d) Extend the East Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
SECTION 31: SE/4

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
SECTION 5: NW/4
SECTION 6: NE/4

(e) Extend the North Bagley-Lower Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
SECTION 8: NW/4

(f) Extend the Bar U-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
SECTION 12: NW/4

(g) Extend the East Bluit-San Andres Pool, Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
SECTION 19: NW/4

(h) Extend the Cerca-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
SECTION 9: NW/4

(i) Extend the Eagle Creek-San Andres Pool, Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
SECTION 23: NW/4 SE/4

(j) Extend the West Henshaw-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM
SECTION 18: SE/4 SW/4

July 16, 1969 - Regular Hearing
-4-

Docket No. 20-69

(k) Extend the Inbe Permo-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
SECTION 28: NE/4

(l) Extend the East Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
SECTION 16: SW/4
SECTION 21: NW/4

(m) Extend the North Mescalero-Cisco Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
SECTION 10: SE/4

(n) Extend the Shugart Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 25: W/2 NE/4

(o) Extend the Springs-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM
SECTION 2: LOTS 3, 4, 5, 6, 11, 12, 13 and 14

(p) Extend the Sulimar-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 24: W/2 & SE/4

(q) Contract the horizontal limits of the Monument Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
SECTION 19: N/2 NW/4
SECTION 20: N/2 N/2
SECTION 21: N/2 NW/4

July 16, 1969 - Regular Hearing
-5-

Docket No. 20-69

(r) Extend the Eunice Pool in Lea County, New Mexico,
to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

SECTION 19: N/2 NW/4

SECTION 20: N/2 N/2

SECTION 21: N/2 NW/4

(s) Consider the assignment of approximately 23,560
barrels of oil discovery allowable to the discovery
well for the previously designated Lusk Delaware Pool
in Lea County, the Pan American Petroleum Corporation
Plains Unit Federal Well No. 7, located in Unit D of
Section 33, Township 19 South, Range 32 East.

(t) The proposed consolidation of the Wantz-Abo Pool
and the Drinkard Pool, Lea County, New Mexico, continued
to the July 16, 1969, hearing from May will be dismissed.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

June 26, 1969

DOCKET MAILED

Case 4171

Date 7-3-69

Mr. Bill Wells
Pan American Petroleum Corporation
P. O. Box 1410
Fort Worth, Texas

Re: Discovery allowable for the
Pan American Plains Unit Federal
Well No. 7, Lusk-Delaware Pool,
Lea County, New Mexico

Dear Bill:

The above-described matter is being set for hearing on the Commission's regular pool nomenclature case to be heard July 16, 1969. As the pool has been previously created, the Commission staff is requesting that the applicant appear at the hearing and present evidence that the applicant is entitled to a discovery allowable and the amount of discovery allowable that can be produced without a detrimental effect upon the reservoir.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/esr

C
O
P
Y

PAN AMERICAN PETROLEUM CORPORATION

ENGINEERING CHART

SHEET NO. 

FILE _____

APPN _____

DATE _____

BY _____

SUBJECT

Pool name "Lusk Delaware"

George -

Applic. for Disc. Allow & Creation of New Pool

Lea Co, N.M.

DOCKET MARKED

Disc. Well - Pan American Petroleum Corp. 7-3-69
Plains Unit Federal Well #7

Location - Unit D, 660' ENL & 760' FWL

Initial Potential - 105 BOPD x 6 BOPD (12/29/68)
Interval - Delaware -

Perforations - 4712 - 4732

Nearest Comparable Prod. - Burton (Delaware) Pool
- 22 mi. SWOffset Operators
~~Re~~ Trebol Vrtg. Co - Box 3908, 1109 ABC Building
Odessa, Tex, 79760Texaco, Inc - Midland Springs Bldg -
300 Wall Ave, Midland, 79701Atlantic Richfield - Box 1610, Midland Springs &
Loan Building, Midland 79701Cities Service Oil Co - Box 4906, 800 Vaughn Bldg
Midland 79701.has been re-potential offer workover
for 116 BOPD EXO BOPD (6/15/69)
600k - 1793Amount of Disc. Allow. = 23,560 BO

Thanks George - Bill Wells

ATWOOD, MALONE, MANN & COOTER
LAWYERS

505 2-6221
P. O. DRAWER 700
SECURITY NATIONAL BANK BUILDING
ROSWELL, NEW MEXICO
88201

JULY
14th
1969

JEFF D. ATWOOD
CHARLES F. MALONE
RUSSELL D. MANN
PAUL A. COOTER
BOB F. TURNER
ROBERT A. JOHNSON
JOHN W. BASSETT
ROBERT E. SABIN
RUFUS E. THOMPSON

Mr. A. L. Porter, Jr.
Oil Conservation Commission
State Land Office
Santa Fe, New Mexico 87501

Re: Case No. 4171 on the July 16, 1969, Regular
Hearing Docket

Dear Mr. Porter:

We would appreciate your filing the enclosed Entry of Appearance
in Case No. 4171.

Thank you.

Very truly yours,

John W. Bassett
John W. Bassett

J
W
B

*

v

Encls.

Cc:

Guy Buell, Esquire. w/encls.

69 JUL 16 PM 1 55
MANN & COOTER
BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE SOUTHEAST)
NOMENCLATURE CASE CALLING FOR)
AN ORDER FOR THE CREATION, EX-)
TENSION, AND CONTRACTION OF CER-)
TAIN POOLS IN LEA, EDDY, ROOSEVELT)
AND CHAVES COUNTIES, NEW MEXICO;)
AND FOR THE ASSIGNMENT OF CERTAIN)
DISCOVERY ALLOWABLE.)

No. 4171

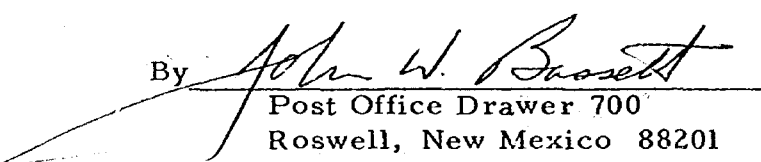
ENTRY OF APPEARANCE

The undersigned, Atwood, Malone, Mann & Cooter of Roswell,
New Mexico, hereby enters its appearance in this case as New Mexico
counsel for Pan American Petroleum Corporation.

DATED this 14th day of July, 1969.

ATWOOD, MALONE, MANN & COOTER

By


Post Office Drawer 700
Roswell, New Mexico 88201

PAN AMERICAN PETROLEUM CORPORATION

OIL AND GAS BUILDING P. O. BOX 1410

FORT WORTH, TEXAS-76101

July 1, 1969

File: GHF-304-986.510.1

Subject: Discovery Allowable,
Pan American Plains Unit
Federal Well No. 7,
Lusk Delaware Pool,
Lea County, New Mexico

D. L. RAY
DIVISION ENGINEER

MAIN OFFICE 000
JUL 7 8 33

Case 4171

SE Romen
July

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico 87501

Gentlemen:

Reference is made to previous conversations between your Mr. George Hatch and Mr. Wells of this office regarding the above subject. Attached please find exhibits pertaining to our application for a discovery allowable of 23,560 BO, as required by Commission Rule 509. Additionally, we have attached a short discussion which we believe shows that this reservoir is a separate and distinct source of supply from any other reservoir.

Yours very truly,

D. L. Ray

WCW:jn
Attachments

cc: NMOCC
P. O. Box 1980
Hobbs, New Mexico 88240

APPLICATION FOR DISCOVERY ALLOWABLE
PLAINS UNIT FEDERAL WELL NO. 7
LUSK DELAWARE POOL
LEA COUNTY, NEW MEXICO

Pan American Petroleum Corporation originally completed their Plains Unit Federal Well No. 7 in the Strawn on June 26, 1964. Due to the low Strawn productivity, the well was recompleted from the Strawn to the Delaware during December, 1968, and on potential after this recompletion, the well produced 105 BO and 6 BW on a 12-hour test. Production, however, immediately dropped to approximately 30 BO and 1 BWPD and it was decided that due to this low capacity, a discovery allowable would not be requested for this well. The Commission, however, included this well under one of its regular nomenclature hearings and the well was assigned to the Lusk Delaware Pool. In order to increase productivity, the well was stimulated with a fracture treatment during June, 1969 with a subsequent increase in production to some 210 BO and 0 BWPD. The Commission Form C-116 (Gas-Oil Ratio Test) was filed on June 17, 1969, showing a 24-hour test rate of 116 BO with 0 BWPD. As current capacity is above the sum of the basic unit allowable and discovery allowable (total using July, 1969 basic unit allowable = 96 BOPD), Pan American Petroleum Corporation is requesting the assignment of 23,560 barrels of discovery allowable to our Plains Unit Federal Well No. 7. The following exhibits will show that this well is located in a separate and distinct reservoir from any other Delaware production and the assignment of the above mentioned discovery allowable is, therefore, justified.

Exhibit I is the Commission's Form C-109, giving pertinent data related to this well. It should be noted that the potential test shown on this form is the test after the recent workover. We estimate, however, that this well currently will produce some 210 BOPD with no water. We have also shown on Exhibit I that the nearest comparable production to this well is the Burton Delaware Pool located some 22 miles southwest.

Exhibit II is an electric log of our Plains Unit Well No. 7, showing the top of the Delaware at 4702' and the perforated interval from 4712-4732'. The previous Strawn completion interval (11,440-11,482') is also shown.

Exhibit III is a structure map contoured on the top of the Delaware showing all wells within a two-mile radius of the discovery well. All wells on the map are color coded as to the completion interval. Our Plains Unit Federal No. 7 is located in Unit D of Section 33, T19S R32E, and is designated by a red arrow. Since recompletion of Well No. 7 to the Delaware, we have drilled our Plains Unit Federal Well No. 9, a southeast offset to Well No. 7, and completed it in the Delaware for an initial potential of 170 BO and 103 BWPD. Well No. 9 was completed on May 27, 1969 and water production from this well has rapidly diminished to its current rate of some 30 to 35 BWPD. This well is completed lower in the section than No. 7, and as Well No. 7 has

produced at a rate of 210 BOPD water free, we do not believe the original high water producing rate of Well No. 9 is typical of this reservoir. As mentioned above, water production from Well No. 9 decreased substantially after only a short producing period. It should be noted that there are no other Delaware completions in the vicinity of these two wells. From an examination of each of the wells in this area, it has been determined that the Delaware was not tested in any well shown on this map. Although the majority of the wells in this area penetrated the Delaware, log analysis on these wells indicated that Delaware was tight and non-productive and it was consequently never tested. Also shown on this Exhibit are the traces of two cross-sections. A discussion of these cross-sections follows.

Exhibit No. IV is a cross-section running from West to East through the discovery well. This cross-section is composed of electric logs from five other wells in the vicinity of the discovery well and shows that the Delaware had not been tested in any of these wells due to its non-productive appearance on logs. The current completion interval of other wells on the cross-section is not shown, as in each case it is much deeper than the Delaware depth.

Exhibit V is a North-South cross-section through the discovery well and the recently completed offset producer, our Plains Unit Federal Well No. 9. Again, it is noticed that the Delaware was not tested in the dry Shell-Perry Federal Well No. 1, located southeast of the discovery well. It can be seen from this exhibit that our Plains Unit Federal Wells Nos. 7 and 9 are both completed within the Delaware zone.

As the Delaware, by log analysis, has been determined to be non-productive in all wells in the vicinity of our Plains Unit Federal Wells Nos. 7 and 9, and as the nearest Delaware production is some 22 miles distant from Well No. 7, we feel that this is a separate and distinct reservoir from any other Delaware production and that the assignment of the requested discovery allowable is justified.

Exhibit VI is a copy of the letter that advised the offset operators of our application for Discovery Allowable and Creation of a New Pool for our Plains Unit Federal Lease, Well No. 7, and a list of each offset operator.

**NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION FOR DISCOVERY ALLOWABLE AND CREATION OF A NEW POOL**

Form C-109
Adopted 9-1-66

NOTE: This form is to be filed and attachments made in accordance with the provisions of Rule 509.
If discovery is claimed for more than one zone, separate forms must be filed for each.

Case 4171

Operator Pan American Petroleum Corporation		Address Box 1410, Fort Worth, Texas 76101	
Lease Name Plains Unit Federal		Well No. 7	County Lea
Well Location Unit Letter D ; 660 Feet from The North Line and 760 Feet From the West Line of Section 33 , Township 19-S , Range 32-E , NMPM			
Suggested Pool Names (List in order of preference)			
1. Lusk-Delaware		3.	
Name of Producing Formation Delaware	Perforations 4712-32	Date of Filing Form C-104 12-30-68	
Was "Affidavit of Discovery" Previously Filed For This Well in this Pool? No	If Yes, Give Date of Filing --	Date Well Was Tested O.C. 12-10-68	Date Compl. Ready to Prod. 12-19-68
Total Depth 11,589	Plugged Back Depth 4795	Depth Casing Shoe 11,589	Tubing Depth 4735
Oil Well Potential (Test to be taken only after all load oil has been recovered)		Elevation (Gr., DF, RKB, RT, etc.) 3569 R.D.B.	
116 Bbls. Oil Per Day Based On 116 Bbls In 24 Hours; 0 Bbls Water Per Day Based On 0 Bbls			
In 24 Hours; Gas Production During Test: 208 MCF;		Gas-Oil Ratio: 1793	Method Of Producing: Flow Chk. Size 20/64"

NEAREST PRODUCTION TO THIS DISCOVERY (Includes past and present oil or gas producing areas and zones whether this discovery is based on horizontal or vertical separation):

Pool Name Lusk-Strawn	Name of Producing Formation Strawn	Top of Pay 11,458	Bottom of Pay 11,480	Currently Producing? Yes
Horizontal Distance and Direction from Subject Discovery Well to the Nearest Well in this Pool 2 mi. N. N/W		Vertical Distance from Subject Discovery Zone to Producing Interval this Pool 6728		

NEAREST COMPARABLE PRODUCTION (Includes past and present oil or gas production from this pay or formation only):

Pool Name Burton Delaware	Top of Pay 3170	Bottom of Pay 3230	Currently Producing? Yes
Horizontal Distance and Direction from Subject Discovery Well to the Nearest Well in this Comparable Pool 22 miles S.W.			

Is "County Deep" Discovery Allowable Requested for Subject Discovery Well?	If Yes, Give Name, Location, and Depth of Next Deepest Oil Production in this County
No	

Is the Subject Well Multiple Completion?	Is Discovery Allowable Requested for other Zone(s)?	If Yes, Name all Such Formations
No	Yes	

LIST ALL OPERATORS OWNING LEASES WITHIN ONE MILE OF THIS WELL (Attach additional sheet if necessary)

NAME	ADDRESS
Trebol Drilling Company	1109 ABC Bldg., Box 3908 Odessa, Texas 79760
Texaco, Inc.	Midland Savings Bldg., 300 Wall Ave., Midland, Texas 79701
Atlantic Richfield Company	Midland Savings & Loan Bldg., Box 1610 Midland, Texas 79701
Cities Service Oil Company	Box 4906, 800 Vaughn Bldg. Midland, Texas 79701

Attach evidence that all of the above operators have been furnished a copy of this application. Any of said operators who intends to object to the designation of the subject well as a discovery well, eligible to receive a discovery allowable, must notify the appropriate District Office and the Santa Fe Office of the Commission of such intent in writing within ten days after receiving a copy of this application.

Remarks: This is a repotential test taken after a workover of this well. The original potential test was taken 12-30-68.
--

CERTIFICATION

I hereby certify that all rules and regulations of the New Mexico Oil Conservation Commission have been complied with, with respect to the subject well, and that it is my opinion that a bona fide discovery of a hitherto unknown common source of oil supply has been made in said well. I further certify that the discovery allowable for the subject well, if authorized, will be produced from the subject zone in this well only. Further, that the information given herein and attached hereto is true and complete to the best of my knowledge and belief.

V. Morgan
V. Morgan Signature

Division Engineering Coordinator
Position

June 24, 1969
Date

PAN AMERICAN PETROLEUM CORPORATION

OIL AND GAS BUILDING

P. O. BOX 1410

FORT WORTH, TEXAS—76101

June 24, 1969

Case 4171

File: GHF-283-986.510.1

Subject: Application for Discovery Allowable
and Creation of a New Pool
Plains Unit Federal Lease, Well No. 7
Lusk-Delaware Pool, Lea County, New Mexico

TO: ALL OFFSET OPERATORS
(List attached)

Gentlemen:

Please be advised, as an offset operator, of our recompletion of the Plains Unit Federal Lease Well No. 7 in the Delaware formation to be assigned to the Lusk-Delaware Pool. This well is located in Unit D, 660' FNL and 760' FWL of Section 33, T-19-S, R-32-E, Lea County, New Mexico.

Attached is a copy of Form C-109, Application for Discovery Allowable and Creation of a New Pool, for our Plains Unit Federal Lease Well No. 7.

Yours very truly,

Neil S. Whitmore

Neil S. Whitmore
District Production Superintendent

CDB:jn
Attachment

EXHIBIT NO. VII

OFFSET OPERATORS
PLAINS UNIT FEDERAL LEASE, WELL NO. 7
LUSK-DELAWARE POOL, LEA COUNTY, NEW MEXICO

Trebol Drilling Company
1109 ABC Bldg.
Box 3908
Odessa, Texas 79760

Texaco, Inc.
Midland Savings Bldg.
300 Wall Avenue
Midland, Texas 79701

Atlantic Richfield Company
Midland Savings & Loan Bldg.
Box 1610
Midland, Texas 79701

Cities Service Oil Company
Box 4906
800 Vaughn Bldg.
Midland, Texas 79701

CASE 4171: (a) CREATION OF A NEW OIL POOL

County Chaves Pool Double L - Queen

TOWNSHIP	14S	RANGE	29E	NEW MEXICO PRINCIPAL MERIDIAN
6	5	4	3	2
7	8	9	10	11
18	17	16	15	14
19	20	21	22	23
30	29	28	27	26
31	32	33	34	35
				36

Purpose: One completed oil well capable of producing.

Discovery Well: Dalport Oil Corporation, Spurck State Well No.2
in unit H of Section 36-14-29. Completed in Queen April 16, 1969,
through perforations 1929' to 1938'.

Proposed pool boundaries colored in green.

Section 36: SE/4 NE/4

CASE 4171: (b) CREATION OF A NEW OIL POOL

COUNTY	LEA	POOL	EAST MORTON-WOLFCAMP												
TOWNSHIP	14 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.

UNION OIL COMPANY OF CALIFORNIA - Owens #1 in Unit C of Section 34-14-35.

Completed in Wolfcamp on May 5, 1969. Depth to Casing Shoe 10,630'.

Proposed pool boundary colored in red. SECTION 34: NE/4

CASE 4171: (c) EXTENSION OF AN EXISTING OIL POOL

COUNTY	LEA	POOL	ARKANSAS JUNCTION-SAN ANDRES
TOWNSHIP	18 South	RANGE	36 East
			NMPM
6	5	4	3
7	8	9	10
18	17	16	15
19	20	21	22
30	29	28	27
31	32	33	34

PURPOSE: One completed oil well capable of producing.
 AZTEC OIL & GAS COMPANY - Catron State #1 in Unit B of Section 12-18-36.
 Completed in San Andres on April 21, 1968. Top of Perforations 5052'.
 Pool boundary colored in red.
 Proposed pool extension colored in green. SECTION 12: NE/4

CASE 4171: (d) EXTENSION OF AN EXISTING OIL POOL (Continued on next page)

COUNTY	LEA	POOL	EAST 3/4 CLEY-PENNSYLVANIAN
TOWNSHIP	11 South	RANGE	34 East
NMPM			
6	5	4	3
7	8	9	10
18	17	16	15
19	20	21	22
30	29	28	27
31	32	33	34

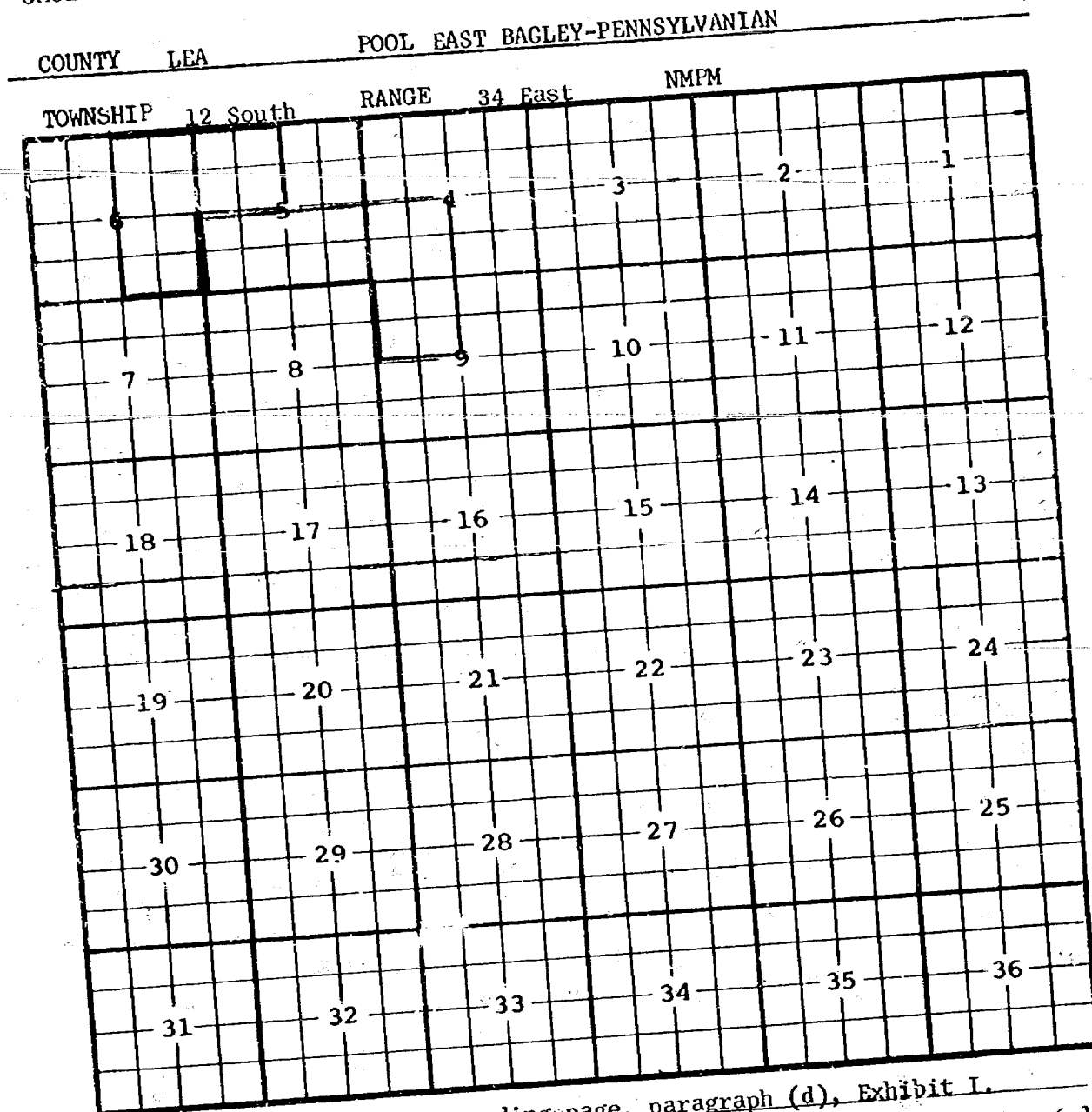
PURPOSE: One completed oil well capable of producing.

TENNECO OIL COMPANY - State "W" #2 in Unit P of Section 1-11-34. Completed in Bough C on May 10, 1969. Top of Perforations 9979'.

Pool boundary colored in red.

Proposed pool extension colored green. SECTION 31: SE/4

CASE 4171: (d) EXTENSION OF AN EXISTING OIL POOL (Continued)



PURPOSE: As stated on preceding page, paragraph (d), Exhibit I.
 ADDITION---SAM BOREN - Boren-Barbera A State #1 in Unit P of Section 6-12-34. Completed in Pennsylvanian on June 1, 1969. Top of Perforations 9972'.

Pool boundary colored in red.

Proposed pool extensions colored in green. SECTION 5: NW/4

SECTION 6: NE/4

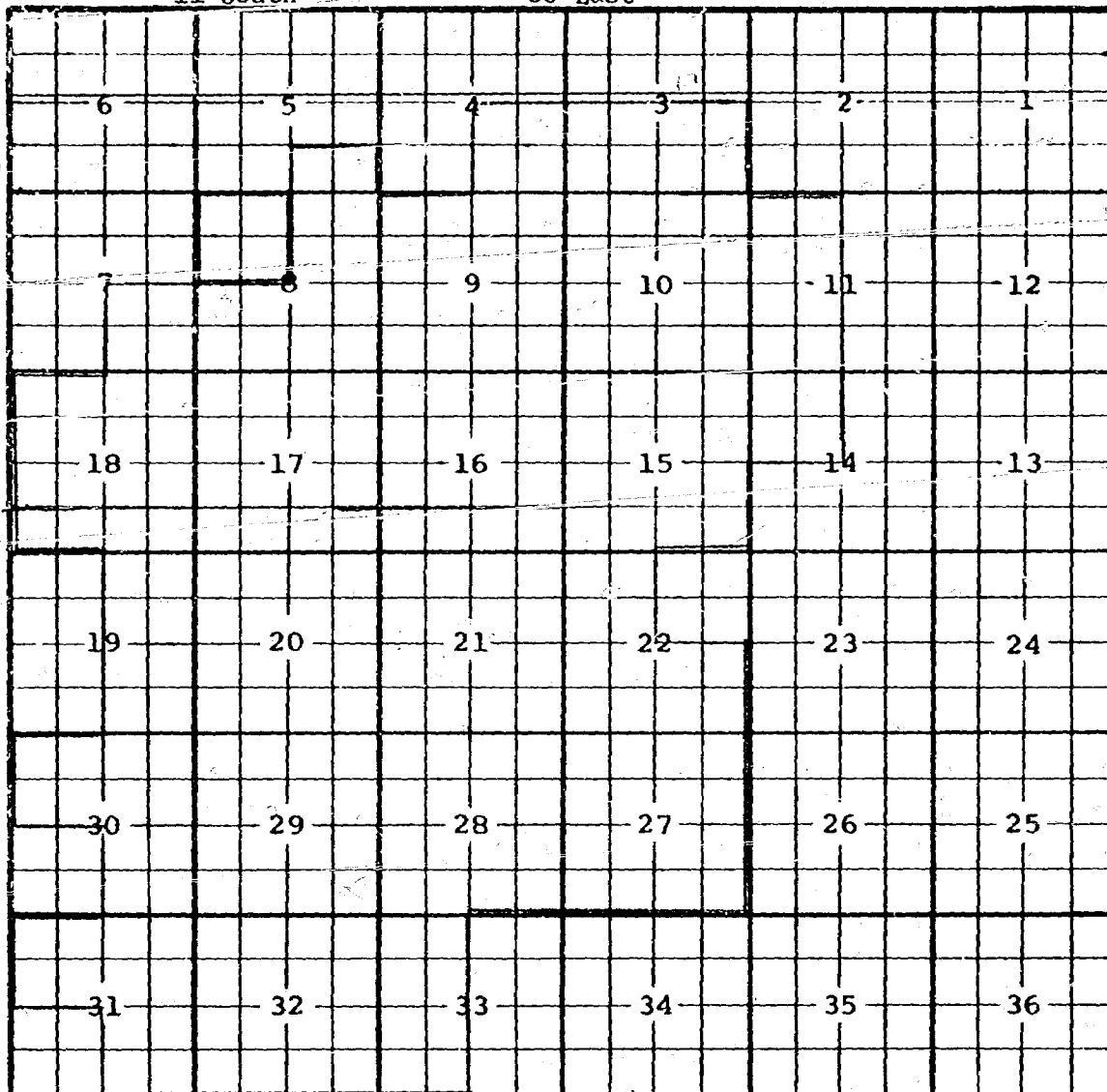
ADDITION---SECTION 6: SE/4

CASE 4171: (e) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL NORTH BAGLEY-LOWER PENNSYLVANIAN

TOWNSHIP 11 South RANGE 33 East NMFM

Short
section



PURPOSE: One completed oil well capable of producing.

MAJOR, GIEBEL & FORSTER - Champlin State #1 in Unit F of Section 8-11-33.

Completed in Lower Pennsylvanian on May 15, 1969. Top of Perforations 10,184'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 8: NW/4

CASE 4171: (f) EXTENSION OF EXISTING OIL POOL (Continued on next page)

COUNTY	LEA	POOL	BAR U-PENNSYLVANIAN		
TOWNSHIP	9 South	RANGE	32 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.

ROGER C. HANKS - Sinclair State #1 in Unit D of Section 12-9-32. Completed in Bough C on May 1, 1969. Top of Perforations 9128'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 12: NW/4

CASE 4171: (f) EXTENSION OF AN EXISTING OIL POOL (Continued)

COUNTY	CHAVES	POOL	BAR U-PENNSYLVANIAN		
TOWNSHIP	8 South	RANGE	32 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: As stated on preceding page, paragraph (f), Exhibit I.

ADDITION--McGRATH & SMITH, INC. - State SCW #1 in Unit 0 of Section 36-8-32. Completed in Bough C on June 24, 1969. Top of Perforations 9094'.

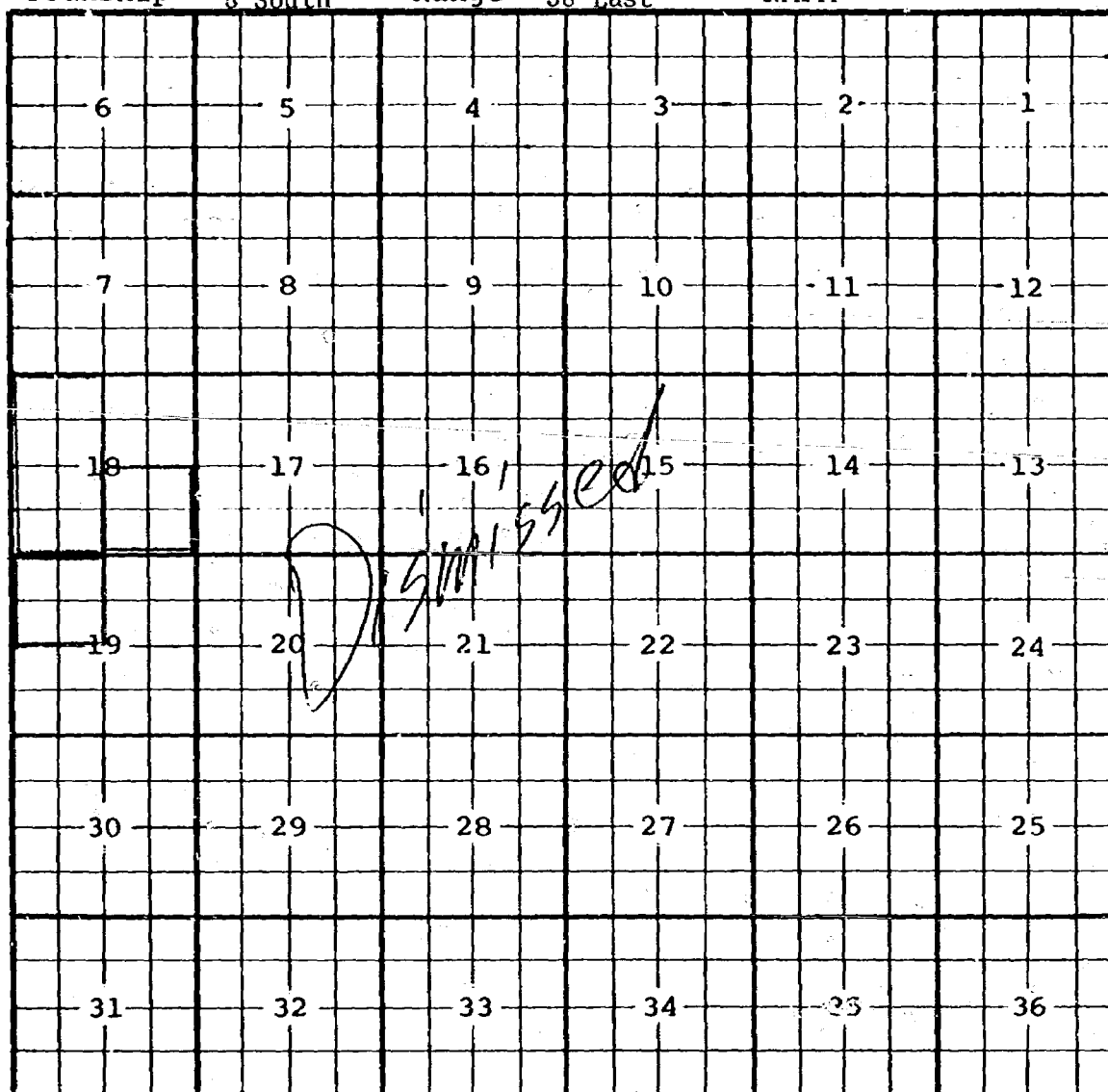
Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 36: SE/4

CASE 4171: (g) EXTENSION OF AN EXISTING OIL POOL

County ROOSEVELT Pool EAST BLUITT-SAN ANDRES

Township 8 South Range 38 East NMPM



PURPOSE: Two completed oil wells capable of producing.

FRANKLIN, ASTON & FAIR, INC. - Roden Federal #2 in Unit C of Section 19-8-38. Completed in San Andres on May 2, 1969. Top of Perforations 4724'.

RODEN OIL COMPANY - Roden Bluitt Federal #2 in Unit D of Section 19-8-38. Completed in San Andres on April 22, 1969. Top of Perforations 4717'.

ADDITION--UNION OIL COMPANY OF CALIFORNIA - Federal "18" #1 in Unit O of Section 18-8-38. Completed in San Andres on June 15, 1969. Top of Perforations 4717'.

Pool boundary colored in red.

Proposed pool extensions colored in green. SECTION 19: NW/4

ADDITION-SECTION 18: SE/4

CASE 4171: (h) EXTENSION OF AN EXISTING OIL POOL

County LEA

Pool CERCA-UPPER PENNSYLVANIAN

Township

14 South

Range

34 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

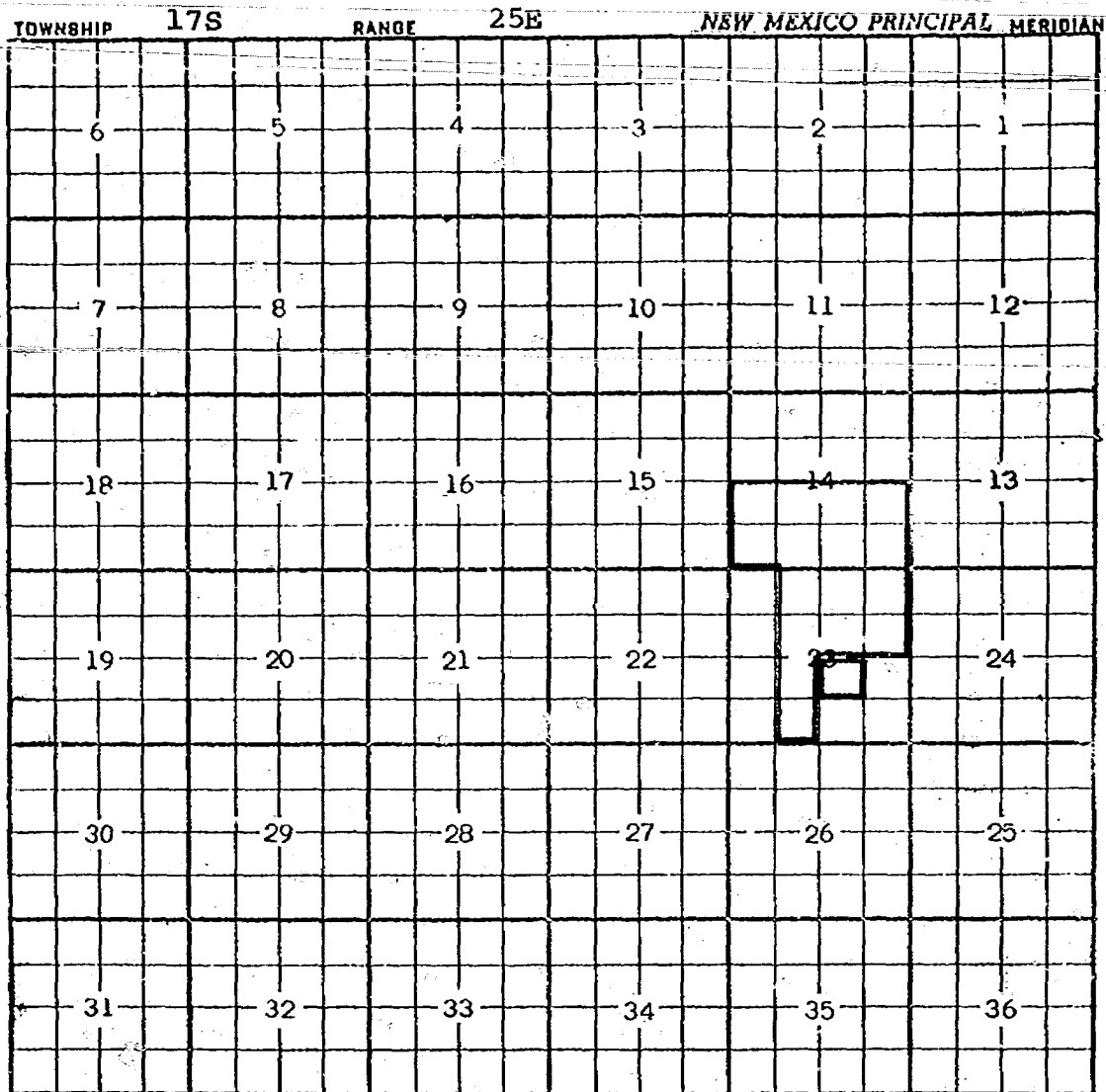
PURPOSE: One completed oil well capable of producing.

K. K. AMINI - Shell State #1 in Unit D of Section 9-14-34. Completed in Upper Pennsylvanian on April 19, 1969. Top of Perforations 10,396'. Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 9: NW/4

CASE 4171: (i) EXTENSION OF AN EXISTING OIL POOL

County Eddy Pool Eagle Creek-San Andres



Purpose: One completed oil well capable of producing.

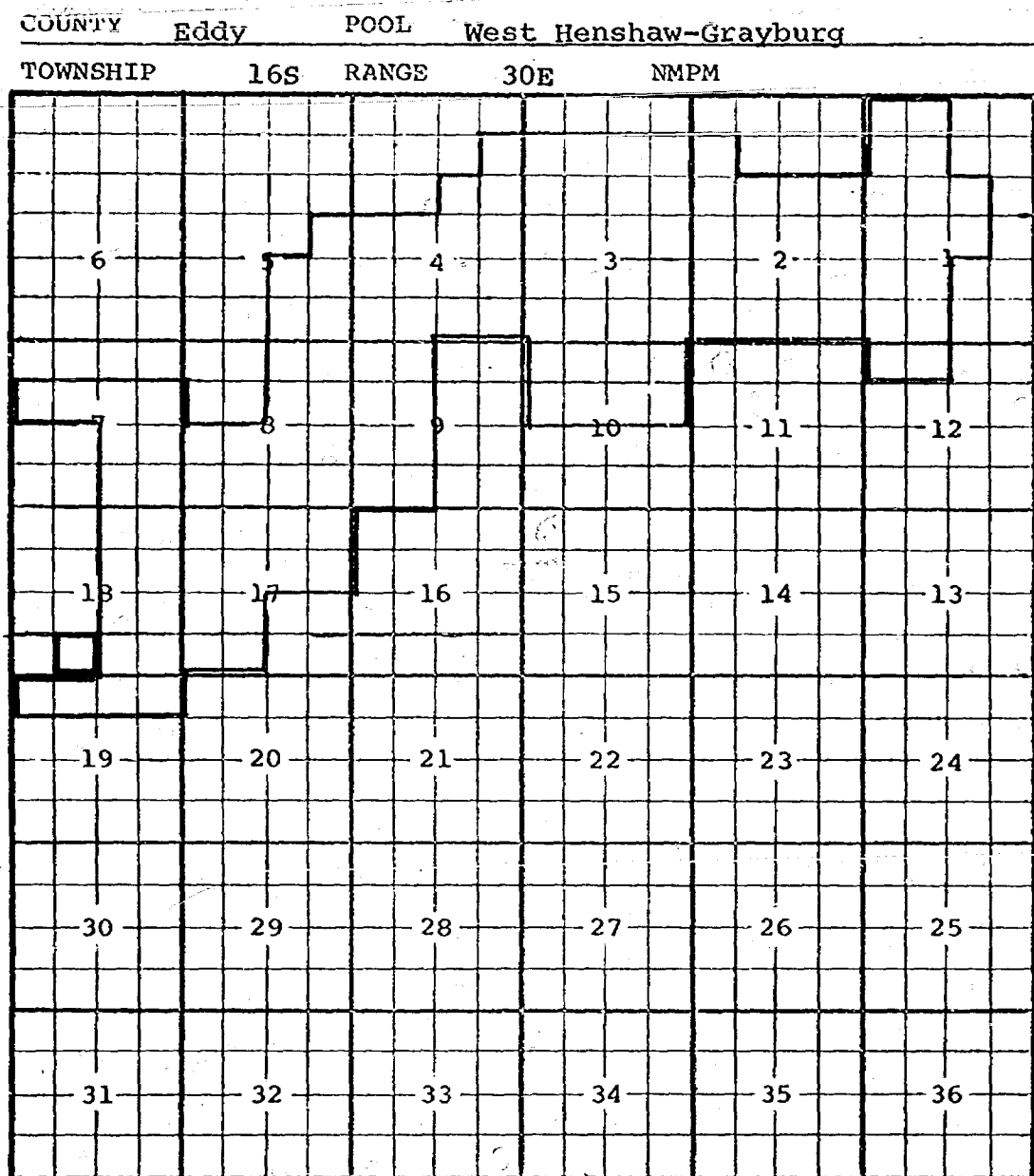
Yates Petroleum Corp. Mitchell No. 1 in unit J of Section 23-17-25.
Completed in San Andres March 25, 1969, through perforations
1366' to 1416'.

Pool boundary colored in red.

Proposed extension colored in green.

Section 23: NW/4 SE/4

CASE 4171: (j) EXTENSION OF AN EXISTING OIL POOL



Purpose: One completed injection well.

Tenneco Oil Co. Southwest Henshaw Premier Unit Well No. 12 in unit N of Section 18-16-30. Completed as a TA well in Grayburg July 22, 1965, through perforations 2688' to 2789'. Now being converted to water injection.

Pool boundary colored in red.

Proposed extension colored in green.

Section 18: SE/4 SW/4

CASE 4171: (k) EXTENSION OF AN EXISTING OIL POOL (Continued on next page)

County LEA

Pool INBE PERMO-PENNSYLVANIAN

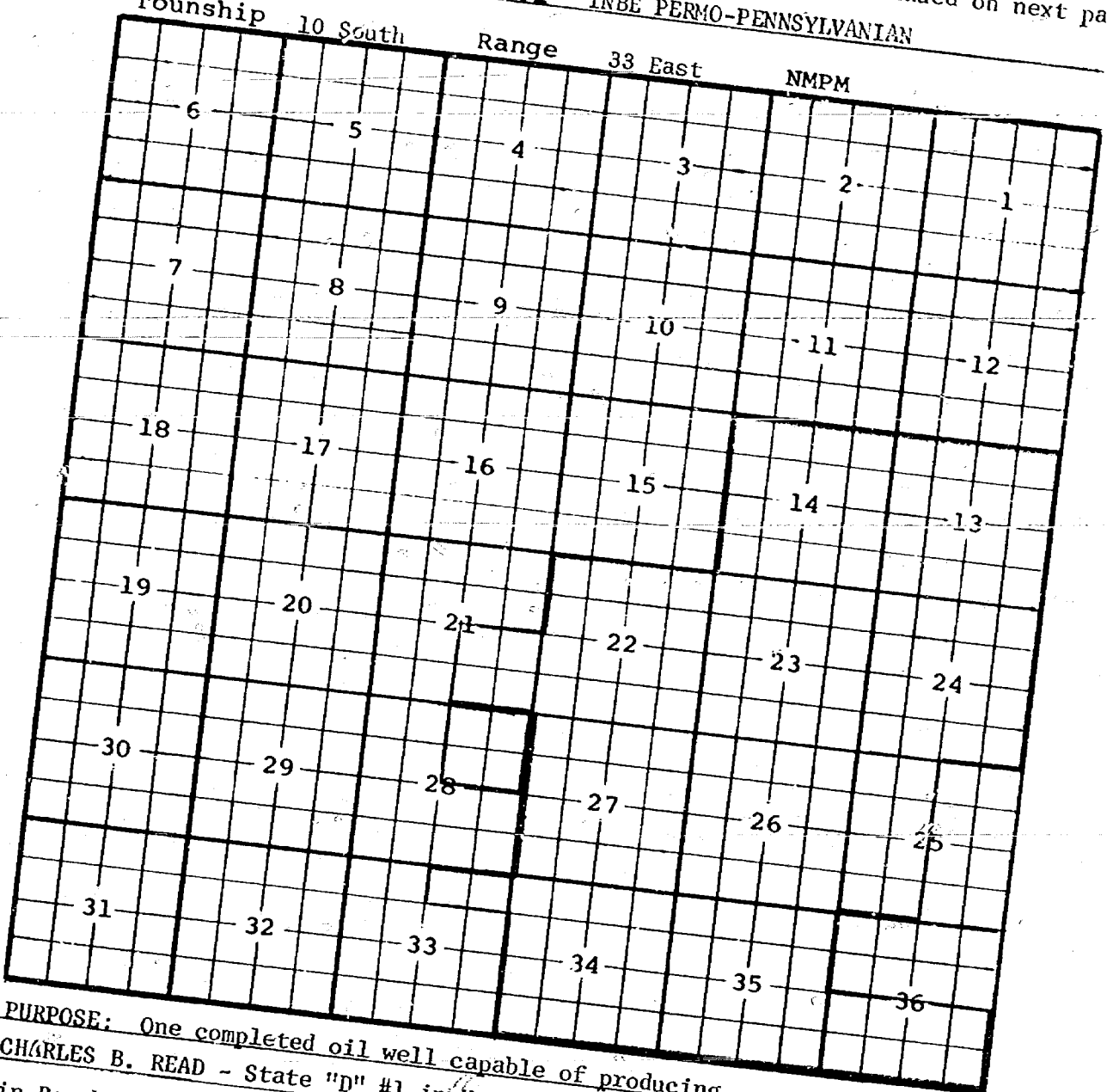
Township

10 South

Range

33 East

NMPM



PURPOSE: One completed oil well capable of producing.
CHARLES B. READ - State "D" #1 in Unit A of Section 28-10-33. Completed
in Bough C on May 25, 1969. Top of Perforations 9588'.
Pool boundary colored in red.
Proposed pool extension colored in green. SECTION 28: NE/4

CASE 4171: (k) EXTENSION OF AN EXISTING OIL POOL (Continued)

County LEA Pool INDE PERMO-PENNSYLVANIAN

Township 11 South Range 34 East NMPM

Short
Section

	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: As stated on preceding page, paragraph (k), Exhibit I.

ADDITION--SUN OIL COMPANY - New Mexico "Q" State #1 in Unit D of Section
9-11-34. Completed in Bough C on June 12, 1969. Top of Perfor-
ations 9951'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 9: NW/4

CASE 4171: (1) EXTENSION OF AN EXISTING OIL POOL

County LEA Pool EAST LOVINGTON-PENNSYLVANIAN

Township 16 South Range 37 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.

PENNZOIL UNITED, INC. - State "16" #1 in Unit M of Section 16-16-37.

Completed in Strawn on May 22, 1969. Top of Perforations 11,452'.

ADDITION--PENNZOIL UNITED, INC. - State "C" #2 in Unit P of Section 17-16-

37. Completed in Strawn on June 27, 1969. Top of Perforations 11,437'.

Pool boundary colored in red.

Proposed pool extensions colored in green. SECTION 16: SW/4

SECTION 21: NW/4

ADDITION-----SECTION 17: SE/4

County LEA Pool NORTH MESCALERO-CISCO

A 6x6 grid with numbers 1 through 36. The numbers are arranged in a boustrophedon pattern, starting from the top right (1) and ending at the bottom left (36). A 2x2 area of cells, corresponding to numbers 10, 11, 19, and 20, is highlighted with a thicker border.

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

ROGER C. HANKS - Fina State #1 in Unit I of Section 10-10-32. Completed in Bough C on April 8, 1969. Top of Perforations 8890'.

Proposed pool extension colored in green. SECTION 10: SE/4

CASE 4171: (n) EXTENSION OF AN EXISTING OIL POOL

County Eddy Pool Shugart

TOWNSHIP	18S	RANGE	30E	NEW MEXICO PRINCIPAL MERIDIAN
6	5	4	3	2
7	8	9	10	11
18	17	16	15	14
19	20	21	22	23
30	29	28	27	26
31	32	33	34	35
				36

Purpose: One completed oil well capable of producing.

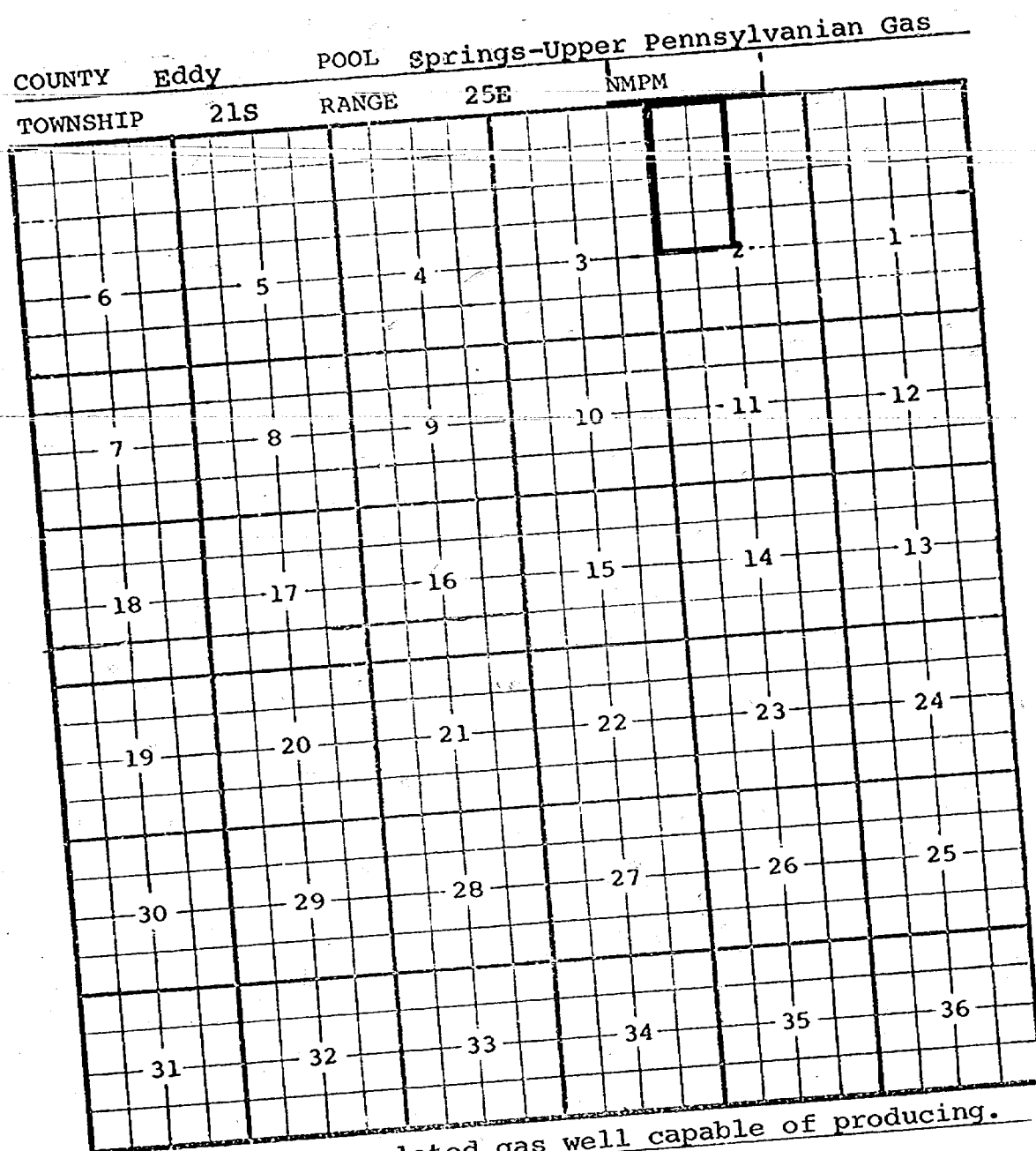
Hanson Oil Co. Ginsberg Federal Well No.3 in unit B of
Section 25-18-30. Completed in Queen May 24, 1969, through
perforations 3364' to 3437'.

Pool boundary colored in red.

Proposed extension colored in green.

Section 25: W/2 NE/4

CASE 4171: (o) EXTENSION OF AN EXISTING GAS POOL.



Purpose: One completed gas well capable of producing.

Continental Oil Co. Levers Federal No. 1 in unit E of Section 2-21-25. Completed in Upper Pennsylvanian December 19, 1968, through perforations 8088' to 8104'.

Pool boundary colored in red.

Proposed extension colored in green.

Section 2: Lots 3, 4, 5, 6, 11, 12, 13 and 14.

CASE 4171: (p) EXTENSION OF AN EXISTING OIL POOL

County Chaves Pool Sulimar-Queen

TOWNSHIP	15S	RANGE	29E	NEW MEXICO PRINCIPAL MERIDIAN
6	5	4	3	2
7	8	9	10	11
18	17	16	15	14
19	20	21	22	23
30	29	28	27	26
31	32	33	34	35
				36

Purpose: Three completed oil wells capable of producing.

Jack L. McClellan, Lisa A Federal #2 in unit F of Section 24-15-29.
Completed in Queen April 10, 1969, through perforations 1972' to 1979'.

Jack L. McClellan, Lisa A Federal #3 in unit C of Section 24-15-29.
Completed in Queen May 23, 1969, through perforations 1980' to 1992'.

Jack L. McClellan, Lisa C Federal #4 in unit J of Section 24-15-29.
Completed in Queen May 2, 1969, through perforations 1989' to 2002'.

Pool boundary colored in red.

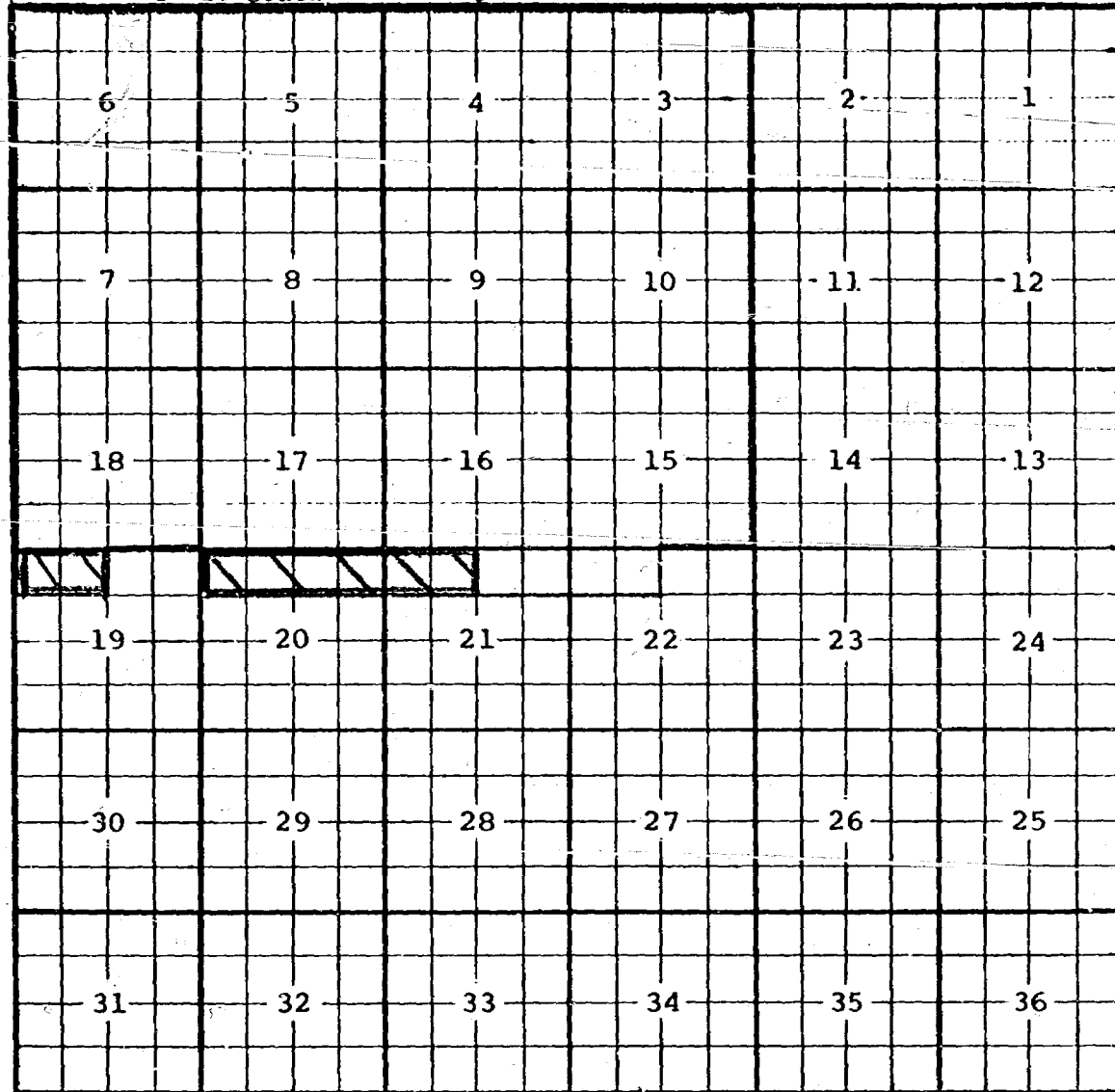
Proposed extensions colored in green.

Section 24: W/2 & SE/4

CASE 4171: (q) DELETION OF AN EXISTING OIL POOL

County LEA Pool MONUMENT GRAYBURG-SAN ANDRES

Township 20 South Range 37 East NMPM



PURPOSE: To contract the horizontal limits of the Monument Grayburg-San Andres Pool by deleting certain acreage which is to be added to the Eunice Grayburg-San Andres Pool.

Pool boundary colored in red.

Proposed pool deletion colored in blue. SECTION 19: N/2 NW/4

SECTION 20: N/2 N/2

SECTION 21: N/2 NW/4

CASE 4171: (r) EXTENSION OF AN EXISTING OIL POOL

County LEA

Pool EUNICE GRAYBURG-SAN ANDRES

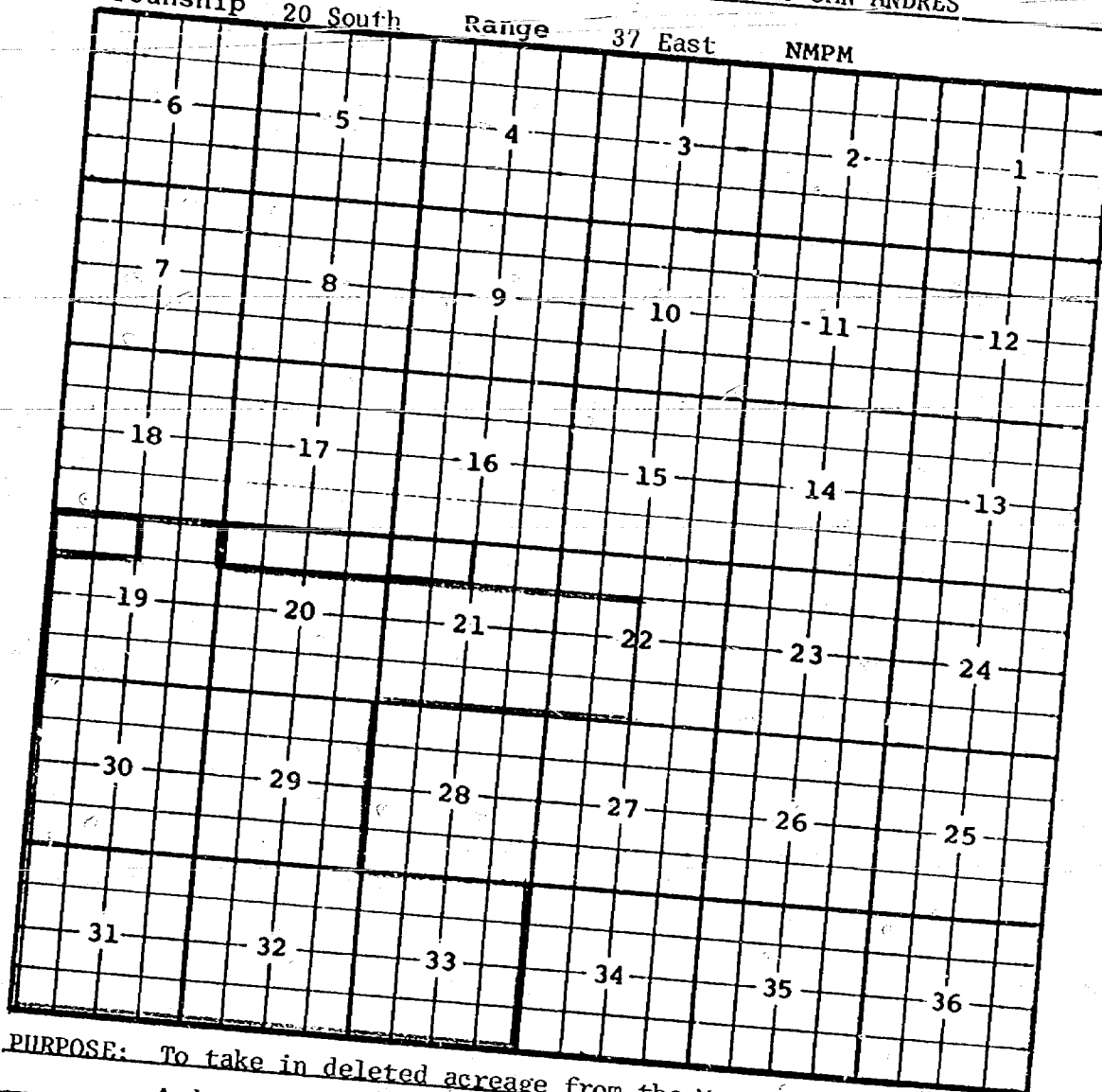
Township

20 South

Range

37 East

NMPM



PURPOSE: To take in deleted acreage from the Monument Grayburg-San Andres Pool.

Pool boundary colored in red.

Proposed pool extensions colored in green.

SECTION 19: N/2 NW/4

SECTION 20: N/2 N/2

SECTION 21: N/2 NW/4

CASE 4171: (s) CONSIDERATION OF ASSIGNMENT OF OIL DISCOVERY ALLOWABLE FOR
AN EXISTING OIL POOL

COUNTY LEA POOL LUSK-DELAWARE

TOWNSHIP 19 South						RANGE 32 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: To consider the assignment of approximately 23,560 barrels of
oil discovery allowable to the discovery well for the Lusk-
Delaware Pool.

Pool boundary colored in red. SECTION 33: NW/4

CASE 4171: (t) CONSOLIDATION OF TWO EXISTING OIL POOLS BY ABOLISHMENT OF AN
EXISTING OIL POOL (Continued on next page)

COUNTY LEA POOL WANTZ-ABO

TOWNSHIP 21 South RANGE 37 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: To consolidate the Wantz-Abo Pool with the Drinkard Pool.

Pool boundary colored in red. SECTION 2: Lots 11, 12, 13, 14, and S/2

SECTION 3: S/2

SECTION 4: Lots 15 and 16 and S/2

SECTIONS 10 AND 11: All

TO BE

SECTION 12: W/2

DISMISSED

SECTION 13: NE/4 and W/2

SECTIONS 14 AND 15: All

SECTION 16: SE/4

SECTION 21: NE/4 and S/2

SECTIONS 22, 23, AND 24: All

SECTION 25: NW/4

SECTIONS 26, 27, AND 28: All

SECTION 29: E/2 NE

SECTION 35: W/2 and NE/4

SECTION 33: All

SECTION 36: NW/4

CASE 4171: (t) CONSOLIDATION OF TWO EXISTING OIL POOLS BY ABOLISHMENT OF AN
EXISTING OIL POOL (Continued on next page)

COUNTY LEA POOL WANTZ-ABO

TOWNSHIP 22 South			RANGE 37 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: As stated on preceding page, paragraph (t), Exhibit I.

Pool boundary colored in red. SECTION 2: All

SECTION 4: E/2 and NW/4

TO BE DISMISSED

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
---	---	---	---	---	---	---	---	---	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	-----

PURPOSE: As stated on preceding page, the boundary pool boundary colored in red, SECTION 10, 11

TO BE DESTROYED

CASE 4171: (t) CONSOLIDATION OF TWO EXISTING OIL POOLS BY EXTENSION OF AN
EXISTING OIL POOL (Continued on next page)

COUNTY	LEA	POOL	DRINKARD
TOWNSHIP	21 South	RANGE	36 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: As stated on preceding page, paragraph (t), Exhibit I.

Pool boundary colored in red. SECTION 24: E/2 SE/4

SECTION 25: E/2 NE/4

TO BE DISMISSED

CASE 4171: (t) CONSOLIDATION OF TWO EXISTING OIL POOLS BY EXTENSION OF AN
EXISTING OIL POOL (Continued on next page)

COUNTY	LEA	POOL	DRINKARD			
TOWNSHIP	21 South	RANGE	37 East	NWPM		
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: As stated on preceding page, paragraph (t), Exhibit I.
Pool boundary colored in red.

SECTION 2: Lots 3, 4, 5, 6, 10, 11, 12, 13, 14 and S/2

SECTION 3: All

SECTION 4: Lots 9 and 14 and S/2

SECTIONS 8, 9, 10, AND 11: All

SECTION 12: NW/4

SECTIONS 13, 14, 15, 16, 17, 19, 20, 21, 22, AND 23: All

SECTION 24: W/2

SECTION 25: W/2

TO BE DISMISSED

SECTIONS 26, 27, 28, AND 29: All

SECTION 30: E/2 and NW/4

SECTION 31: E/2

SECTIONS 32, 33, 34, 35, AND 36: All

COUNTY	LEA	POOL	DRINKARD
--------	-----	------	----------

A 6x6 grid with numbers 1-36 and a crossword puzzle grid overlay. The numbers are arranged in a 6x6 grid, with the first row containing 6, 5, 4, 3, 2, 1, the second row 7, 8, 9, 10, 11, 12, the third row 18, 17, 16, 15, 14, 13, the fourth row 19, 20, 21, 22, 23, 24, the fifth row 30, 29, 28, 27, 26, 25, and the sixth row 31, 32, 33, 34, 35, 36. The crossword puzzle grid is overlaid on the numbers, with black squares indicating non-letter positions. The grid is 6 squares wide and 6 squares high. The numbers are placed in the white squares of the grid. The crossword puzzle grid is defined by the following black squares: (1,1), (1,2), (1,3), (1,4), (1,5), (1,6), (2,1), (2,2), (2,3), (2,4), (2,5), (2,6), (3,1), (3,2), (3,3), (3,4), (3,5), (3,6), (4,1), (4,2), (4,3), (4,4), (4,5), (4,6), (5,1), (5,2), (5,3), (5,4), (5,5), (5,6), (6,1), (6,2), (6,3), (6,4), (6,5), (6,6).

Pool boundary colored in red.

~~SECTION 17: NE/4; N/2 NW/4, and N/2 SE/4~~

SECTIONS 22, 23, 24, 25, AND 26: All

SECTION 28: N/2 NE/4

TO BE

DISMISSED

CASE 4171: (t) CONSOLIDATION OF TWO EXISTING OIL POOLS BY EXTENSION OF AN
EXISTING OIL POOL (Continued) on next page)

COUNTY	LEA	POOL	DRINKARD		
TOWNSHIP	22 South	RANGE	38 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: As stated on preceding page, paragraph (t), Exhibit I.

Pool boundary colored in red: SECTION 6: SW/4

SECTION 7: W/2 and SE/4

SECTION 17: W/2 and SE/4

SECTIONS 18, 19, AND 20: All

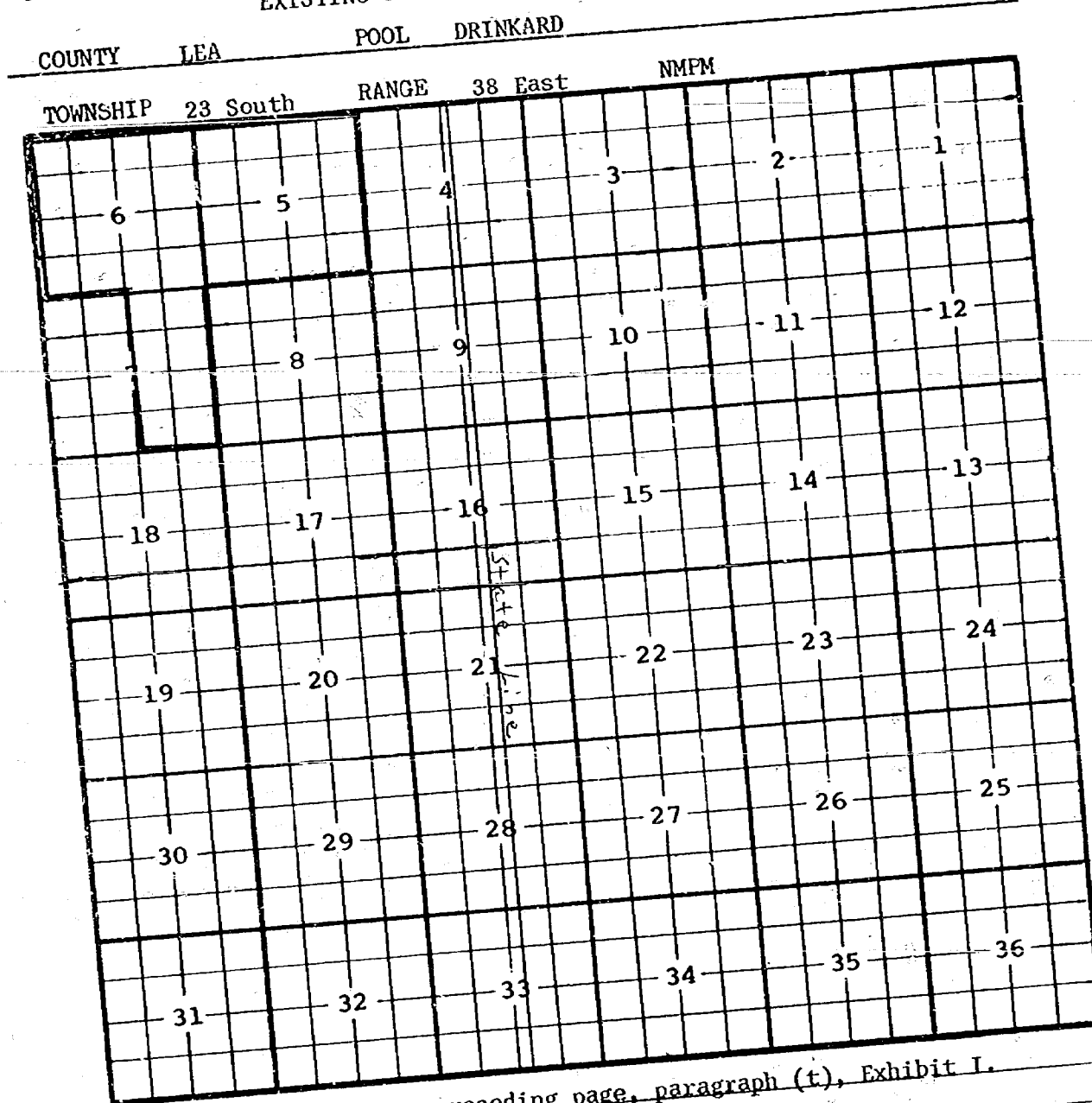
SECTION 21: W/2 SW/4

TO BE SECTION 28: W/2

DISMISSED SECTIONS 29, 30, 31, AND 32: All

SECTION 33: NW/4

CASE 4171: (t) CONSOLIDATION OF TWO EXISTING OIL POOLS BY EXTENSION OF AN
EXISTING OIL POOL (Continued)



PURPOSE: As stated on preceding page, paragraph (t), Exhibit I.
Pool boundary colored in red. SECTIONS 5 AND 6: All
SECTION 7: E/2

TO BE DISMISSED

NOMENCLATURE ADVERTISEMENT FOR JULY, 1969

CASE

4171

Case 4171

most nomenclature case for an order
~~In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order for the creation of a new pool in Chaves County and in Lea County, New Mexico, the extension of horizontal limits of certain existing pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to appear and show cause why such creations and extensions of horizontal limits should not be made.~~ *and for the assignment of certain*
~~Respectfully submitted,~~

a) CREATE A new pool in Chaves County, New Mexico, classified as an oil pool for Queen production and designated as the Double L-Queen Pool. The discovery well is Dalport Oil Corp., Spurck State No. 2 located in Unit H of Section 36, Township 14 South, Range 29 East, NMPM. Said pool described as:

✓ TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
SECTION 36: SE/4 NE/4

b) CREATE A new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the East Morton-Wolfcamp Pool. The discovery well is Union Oil Co. of California, Owens No. 1 located in Unit G of Section 34, Township 14 South, Range 35 East, NMPM. Said pool described as:

✓ TOWNSHIP 14 SOUTH, RANGE 35 EAST, NMPM
SECTION 34: NE/4

c) EXTEND the Arkansas Junction-San Andres Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 18 SOUTH, RANGE ³⁶ 35 EAST, NMPM
SECTION 12: NE/4

d) EXTEND the East Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
SECTION 31: SE/4

✓ TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
SECTION 5: NW/4
SECTION 6: NE/4

e) EXTEND the North Bagley-Lower Pennsylvanian Pool in Lea County, New Mexico to include therein:

✓ TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
SECTION 8: NW/4

f) EXTEND the Bar U-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
SECTION 12: NW/4

-2-

July, 1969 Nomenclature

g) EXTEND the East Bluit-San Andres Pool, Roosevelt County, New Mexico, to include therein:

✓ TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
SECTION 19: NW/4 ✓

h) EXTEND the Cerca-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
SECTION 9: NW/4 ✓

i) EXTEND the Eagle Creek-San Andres Pool, Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
SECTION 23: NW/4 SE/4 ✓

j) EXTEND the West Henshaw-Grayburg Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM
SECTION 18: SE/4 SW/4 ✓

k) EXTEND the InbeXPermo-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
SECTION 28: NE/4 ✓

l) EXTEND the East Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
SECTION 16: SW/4 ✓
SECTION 21: NW/4

m) EXTEND the North Mescalero-Cisco Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
SECTION 10: SE/4 ✓

n) EXTEND the Shugart Pool in Eddy County, New Mexico to include therein:

✓ TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 25: W/2 NE/4 ✓

o) EXTEND the Springs-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM
SECTION 2: LOTS 3, 4, 5, 6, 11, 12, 13 and 14 ✓

July, 1969 Nomenclature

p) EXTEND the Sulimar-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 24: W/2 & SE/4

* The proposed consolidation of the Wanty - Abo Pool and the Brinkman Pool, Lea County, New Mexico, continued to the July 16, 1969, hearing, will be dismissed.

(q) Contract the horizontal limits of the Monument Pool in Lea County, New Mexico, by the deletion of the following described area:

Township 20 South Range 37 East NMPM
Section 19: N/2 NW/4
Section 20: N/2 N/2
Section 21: N/2 NW/4

(r) Extend the horizontal limits of the Eunice Pool in Lea County, New Mexico, by to include therein:

Township 20 South, Range 37 East, NMPM
Section 19: N/2 NW/4
Section 20: N/2 N/2
Section 21: N/2 NW/4

(over) (5) Consider the assignment of approximately 23560 barrels of oil discovery allowable to the discovery well for the previously designated Lusk Delaware Pool in Lea County, the Pan American

Petroleum Corporation Plains Unit Federal
Well No. 7, located in Unit D of Section 33,
Township 19 South, Range 32 East.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

(2) CASE NO. 4171
ORDER NO. R- 3802

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING, CONTRACTING, CONSOLIDATING,
AND EXTENDING CERTAIN POOLS IN CHAVES,
EDDY, LEA AND ROOSEVELT COUNTIES, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on July 16, 1969, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this _____ day of July, 1969, 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 oil pool in Chaves County, New Mexico, for the production of oil from the Queen formation, said pool to bear the designation of Double L-Queen Pool. Said Double L-Queen Pool was discovered by the Dalport Oil Corporation Spurck State Well No. 2, located in Unit H of Section 36, Township 14 South, Range 29 East, NMPM. It was completed in the Queen formation on April 16, 1969. The top of the perforations is at 1929 feet.

✓(3) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of East Morton-Wolfcamp Pool. Said East Morton-Wolfcamp Pool was discovered by the Union Oil Company of California Owens Well No. 1, located in Unit G of Section 34, Township 14 South, Range 35 East, NMPM. It was completed in the Wolfcamp formation on May 5, 1969. The depth to the casing shoe is at 10,630 feet.

✓(4) That there is need for the contraction of the Monument Grayburg-San Andres Pool in Lea County, New Mexico, by the deletion of certain acreage in order that the deleted acreage may be included in the Eunice Grayburg-San Andres Pool.

✓(5) That the proposed consolidation of the Wantz-Abo Pool and the Drinkard Pool in Lea County, New Mexico, continued from the May 14 hearing ~~to the July 16, 1969 hearing, will be dismissed.~~

That should be assigned
(6) ~~Consider the assignment of~~ approximately 23,560 barrels of oil discovery allowable to the discovery well for the previously designated Lusk-Delaware Pool in Lea County, New Mexico, the Pan American Petroleum Corporation Plains Unit Federal Well No. 7, located in Unit D of Section 33, Township 19 South, Range 32 East, NMPM.

See note for 1st 2 lines paragraph
(7) That there is need for certain extensions to the Bar U-Pennsylvanian Pool and the Sulimar Queen Pool, both in Chaves County, New Mexico, the Eagle Creek-San Andres Pool, the West Henshaw-Grayburg Pool, the Shugart Pool, and the Springs-Upper Pennsylvanian Gas Pool, all in Eddy County, New Mexico, the Arkansas Junction-San Andres Pool, the East Bagley-Pennsylvanian Pool, the North Bagley-Lower Pennsylvanian Pool, ~~the Bar U-Pennsylvanian Pool~~, the Cerca-Upper Pennsylvanian Pool, the Eunice Grayburg-San Andres Pool, the Inbe Permo-Pennsylvanian Pool, the East Lovington-Pennsylvanian Pool, and the North Mescalero-Cisco Pool, all in Lea County, New Mexico, ~~and the East Bluit-San Andres Pool in Roosevelt County, New Mexico.~~ *Further that the proposed extension to the East Bluit-San Andres Pool in Roosevelt County, New Mexico, should be dismissed inasmuch as the Bluit area is under study in Case 3975.*

IT IS THEREFORE ORDERED:

(a) That a new pool in Chaves County, New Mexico, classified as an oil pool for Queen production, is hereby created and designated as the Double L-Queen Pool, consisting of the following described area:

✓ TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
SECTION 36: SE/4 NE/4

(b) That a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production, is hereby created and designated as the East Morton-Wolfcamp Pool, consisting of the following described area:

✓ TOWNSHIP 14 SOUTH, RANGE 35 EAST, NMPM
SECTION 34: NE/4

(c) That the Arkansas Junction-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
SECTION 12: NE/4

(d) That the East Bagley-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
SECTION 31: SE/4

✓ TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
SECTION 5: NW/4
SECTION 6: E/2

(e) That the North Bagley-Lower Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
SECTION 8: NW/4

(f) That the Bar U-Pennsylvanian Pool in Chaves and Lea Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
SECTION 36: SE/4

✓ TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
SECTION 12: NW/4

See note
(g) That the East Bluite-San Andres Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein: *should be dismissed*

~~TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
SECTION 18: SE/4
SECTION 19: NW/4~~

(h) That the Cerca-Upper Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
SECTION 9: NW/4

(i) That the Eagle Creek-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM

(j) That the West Henshaw-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM
SECTION 18: SE/4 SW/4

(k) That the Inbe Permo-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
SECTION 28: NE/4

✓ TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
SECTION 9: NW/4

(l) That the East Lovington-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
SECTION 16: SW/4
SECTION 17: SE/4
SECTION 21: NW/4

(m) That the North Mescalero-Cisco Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
SECTION 10: SE/4

(n) That the Shugart Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 25: W/2 NE/4

(o) That the Springs-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM
SECTION 2: Lots 3, 4, 5, 6, 11, 12, 13 and 14

(p) That the Sulimar-Queen Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 24: W/2 and SE/4

(q) That the Monument Grayburg-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

✓ TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
SECTION 19: N/2 NW/4
SECTION 20: N/2 N/2
SECTION 21: N/2 NW/4

(r) That the Eunice Grayburg-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
SECTION 19: N/2 NW/4
SECTION 20: N/2 N/2
SECTION 21: N/2 NW/4

CASE NO. 4171

ORDER NO: R-_____

See note
(s) Consider the assignment of approximately 23,560 barrels of oil discovery allowable to the discovery well for the previously designated Lusk-Delaware Pool in Lea County, New Mexico, the Pan American Petroleum Corporation Plains Unit Federal Well No. 7, located in Unit D of Section 33, Township 19 South, Range 32 East, NMDM.

(t) The proposed consolidation of the Wantz-Abo Pool and the Drinkard Pool in Lea County, New Mexico, continued to the July 16, 1969 hearing from May, will be dismissed.

IT IS FURTHER ORDERED: *(See Below)*

(2) That the effective date of this order and all creations, contractions, consolidations, assignments of oil discovery allowable, and extensions included herein shall be August 1, 1969.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX ARMIJO, Member

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

S E A L

*Two paragraphs numbered one and two follow
"It Is Further Ordered." Paragraph One is on a
separate sheet.*

Finds:

(5) That the proposed consolidation of the Wantz-Abo Pool and the Drinkard Pool in Lea County, New Mexico, continued from the May 14, 1969 hearing should be dismissed.

(6) That approximately 23,560 barrels of oil discovery allowable should be assigned to the discovery well for the previously designated Lusk-Delaware Pool in Lea County, New Mexico, the Pan American Petroleum Corporation's Plains Unit Federal Well No. 7 located in Unit D of Section 33, Township 19 South, Range 32 East, NMPM.

(7) That there is need for certain extensions to the Bar U-Pennsylvanian Pool in Lea and Chaves Counties, New Mexico, the Salimar-Queen Pool in Chaves County, New Mexico, etc.. -

(9) That the proposed extension of the East Bluit-San Andres Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, to include therein:

Township 8 South, Range 36 East, NMPM

Section 19: NW/4

is hereby dismissed.

(5) That the discovery well for the previously designated Lusk-Delaware Pool in Lea County, New Mexico, the Pan American Petroleum Corporation's Plains Unit Federal Well No. 7 located in Unit D of Section 33, Township 19 South, Range 32 East, NMPM, is hereby authorized an oil discovery allowable of 23,560 barrels to be assigned to said well at the rate of 33 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

Township South, Range East, NMPM

County Pool

(t) That the proposed consolidation of the Wantz-Albo Pool and the Drinkard Pool in Lea County, New Mexico, is hereby dismissed.

County Pool
Township South, Range East, NMPM