

Case Number.

4258

Application

Transcripts.

Small Exhibits

ETC.

dearnley-meier

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

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Roswell, New Mexico
November 19, 1969

REGULAR HEARING

IN THE MATTER OF:)
)
Southeastern nomenclature case)
calling for an order for the creation) Case No. 4258
and extension of certain pools in Lea,)
Chaves and Eddy Counties, New Mexico.)

BEFORE: A. L. Porter, Examiner.

TRANSCRIPT OF HEARING

MR. HATCH: Case 4258. Southeastern nomenclature case calling for an order for the creation and extension of certain pools in Lea, Chaves and Eddy Counties, New Mexico.

(Witness sworn.)

(Applicant's Exhibit 1
was marked for identification.)

JOHN W. RUNYUN

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

DIRECT EXAMINATION

BY MR. HATCH:

Q State your name and position.

A John W. Runyun, geologist, Oil Conservation
Commission.

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

A Yes, I am.

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

A Yes, sir.

Q What is that exhibit number?

A It's exhibit -- actually --

Q Exhibit No. 1?

A Exhibit No. 1 has paragraphs A through K.

Q Please refer to paragraphs A through K of the exhibit and to the docket that has been distributed in this case and point out any correction that need to be made.

A Paragraph H has two additions which are as follows: Township F, 18 South, Range 30 East, Section 24 is southwest quarter of the southeast quarter and under Township 17 South, Range 36 East.

Q Excuse me. The one you are now reading, isn't that paragraph I rather than H?

A I, right.

Q There's only one addition in paragraph H.

A In H and one in I. And under I is Township 17 South, Range 36 East, Section 13, Southeast quarter and the South half of the Northeast quarter; Section 24, the North half of the Southeast quarter and the Northeast quarter.

Q And then the rest of the docket is correct as

printed?

A Yes, sir.

Q Do you recommend then that the pools in paragraphs A through K be created and extended as shown on the docket and as you have just corrected?

A Yes, sir.

Q Was Exhibit 1 prepared by you or someone under your supervision?

A Under my supervision.

MR. HATCH: I would like to introduce Exhibit 1 and that's all the questions I have.

MR. PORTER: Exhibit 1 will be admitted without objection. Does anyone have a question of the witness? You may be excused.

(Witness excused.)

MR. PORTER: Does anyone have any further comments in the case? The Commission will take the case under advisement.

If there is nothing else to come before the Commission the hear is adjourned.

I N D E X

<u>WITNESS</u>	<u>PAGE</u>
JOHN W. RUNYUN	
Direct Examination by Mr. Hatch	2

E X H I B I T S

Applicant's Exhibit	
1	2

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, GLENDA BURKS, 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.

Glenda Burks
Notary Public

My Commission Expires:

March 12, 1973

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. 4258
Order No. R-3877

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 19, 1969, at Roswell, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 24th day of November, 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 Lea County, New Mexico, for the production of oil from the Montoya formation, said pool to bear the designation of Loop 18-Montoya Pool. Said Loop 18-Montoya Pool was discovered by the Gulf Oil Corporation Harry Leonard NCT-E Well No. 5, located in Unit H of Section 16, Township 21 South, Range 37 East, NMPM. It was completed in the Montoya formation on September 11, 1969. The top of the perforations is at 7295 feet.

(3) That there is need for certain extensions to the Double L-Queen Pool and the Sulimar-Queen Pool, both in Chaves County,

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CASE No. 4258

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New Mexico, the Shugart Pool in Eddy County, New Mexico, the North Baum-Upper Pennsylvanian Pool, the Hardy-Blinebry Pool, the Hobbs-Drinkard Pool, the Lea-Pennsylvanian Gas Pool, the West Sawyer-San Andres Pool, the Spencer-San Andres Pool, and the Tulk-Pennsylvanian Pool, all in Lea County, New Mexico:

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as an oil pool for Montoya production, is hereby created and designated as the Loop 18-Montoya Pool, consisting of the following-described area:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 16: NE/4

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

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
Section 26: NW/4

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

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

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
Section 1: E/2 E/2

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
Section 6: SW/4

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

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 2: Lots 9, 10, 15 and 16

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

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM

Section 28: SW/4

Section 30: NE/4

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

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM

Section 14: NE/4

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

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM

Section 33: SE/4 and E/2 SW/4

(h) 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 24: SW/4 SE/4

Section 25: E/2 NW/4

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

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM

Section 13: SE/4 and S/2 NE/4

Section 24: N/2 S/2 and NE/4

(j) 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 25: NW/4 NW/4

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

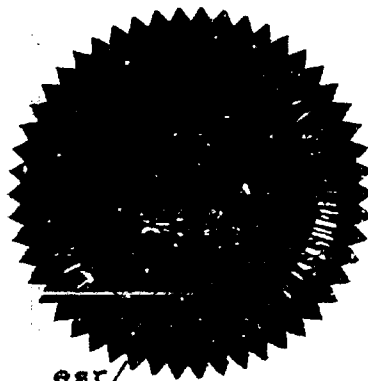
TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM
Section 35: NW/4

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 and extensions included herein shall be December 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
DAVID F. CARGO, Chairman

Alex J. Armiijo
ALEX J. ARMIJO, Member

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

esr/

Docket No. 31-69

DOCKET: REGULAR HEARING - WEDNESDAY - NOVEMBER 19, 1969

OIL CONSERVATION COMMISSION - 9 A.M. - ROSWELL INN, 1815 NORTH MAIN
ROSWELL, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for December, 1969.
- (2) Consideration of the allowable production of gas for December, 1969, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico, and also presentation of purchaser's nominations for said pools for the six-month period beginning January 1, 1970. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for December, 1969.
- CASE 4252: The application of the Oil Conservation Commission upon its own motion for an order granting an exception to the ninth paragraph of Chapter II, Section 2 of Order No. R-333-F to permit shutting in gas wells for the required shut-in test at some period during the 1970 test season other than immediately following the 7-day deliverability flow test; further to permit measuring the shut-in test pressure during the 8th to 15th day of shut-in of the well rather than on the 8th day as presently required. The above exceptions would be for the 1970 annual deliverability test season only and would be applicable to all wells in San Juan, Rio Arriba, McKinley, and Sandoval Counties, New Mexico, subject to the testing requirements of Chapter II of Order No. R-333-F.
- CASE 4253: Application of Rice Engineering & Operating, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres and Paddock formations in the perforated interval from 5030 feet to 6995 feet in its Vacuum SWD Well No. H-35, located in Unit H of Section 35, Township 17 South, Range 35 East, Vacuum Field, Lea County, New Mexico.
- CASE 4254: Application of Kincaid & Watson Drilling Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the East Red Lake Unit Area comprising 518 acres, more or less, of State lands in Sections 35 and 36 of Township 16 South, Range 28 East and Sections 1 and 2 of Township 17 South, Range 28 East, East Red Lake Queen-Grayburg Pool, Eddy County, New Mexico.

- CASE 4255: Application of Kincaid & Watson Drilling Company for a water-flood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a water-flood project in the East Red Lake Unit Area by the injection of water into the Penrose sand of the Queen formation through 4 wells located in Section 36, Township 16 South, Range 28 East and Sections 1 and 2, Township 17 South, Range 28 East, East Red Lake Queen-Grayburg Pool, Eddy County, New Mexico.
- CASE 4256: Application of Southwestern Natural Gas, Inc. for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its T. P. State "4" Well No. 1 located in Unit O of Section 4, Township 11 South, Range 34 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Inbe Permo-Pennsylvanian Pool and the disposal of produced salt water through the intermediate-production casing annulus into the San Andres, Glorieta, Tubb, and Abo formations in the open-hole interval from 4150 feet to 8500 feet.
- CASE 4257: Application of Sohio Petroleum Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the open-hole interval from 4920 feet to 4995 feet in its Phillips Lea SWD Well No. 4 located in Unit M of Section 31, Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico.
- CASE 4258: Southeastern nomenclature case calling for an order for the creation and extension of certain pools in Lea, Chaves, and Eddy Counties, New Mexico.
- (2) Create a new pool in Lea County, New Mexico, classified as an oil pool for Montoya production and designated as the Loop 18-Montoya Pool. The discovery well is the Gulf Oil Corporation Harry Leonard NCT-E No. 5 located in Unit H of Section 16, Township 21 South, Range 37 East, NMPM. Said pool would comprise:

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

(b) Extend the North Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
SECTION 26: NW/4

(c) Extend the Double L-Queen Pool in Chaves County, New Mexico, to include therein:

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

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 1: E/2 E/2

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
SECTION 6: SW/4

(d) Extend the Hardy-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 2: Lots 9, 10, 15 and 16

(e) Extend the Hobbs-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
SECTION 28: SW/4
SECTION 30: NE/4

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

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM
SECTION 14: NE/4

(g) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
SECTION 33: SE/4 and E/2 SW/4

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

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 25: E/2 NW/4

(i) Extend the Spencer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
SECTION 24: N/2 SW/4

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

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 25: NW/4 NW/4

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

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM
SECTION 35: NW/4

CASE 4258: (a) CREATION OF A NEW OIL POOL

County LEA Pool LOOP 18-MONTOYA

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: One completed oil well capable of producing.

GULF OIL CORPORATION - Harry Leonard NCT-E #5 in Unit H of Section 16-21-37. Completed in Montoya on September 11, 1969. Top of Perforations 7295'.

Proposed pool boundary colored in red. SECTION 16: NE/4

CASE 4258: (b) EXTENSION OF AN EXISTING OIL POOL

County LEA Pool NORTH BAUM-UPPER PENNSYLVANIAN

TOWNSHIP 13 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.

ROBERT B. HOLT - Aztec State #5 in Unit C of Section 26-13-32. Completed in Bough D on August 26, 1969. Top of Perforations 9756'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 26: NW/4

CASE 4258: (c) EXTENSION OF AN EXISTING OIL POOL (Continued on next page)

COUNTY	Chaves	POOL	Double L-Queen		
TOWNSHIP	14S	RANGE	29E	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: See page two of this exhibit.

Pool boundary colored in red

Proposed extension colored in green. Section 36: SE/4 SE/4

CASE 4258: (c) EXTENSION OF AN EXISTING OIL POOL (Continued on next page)

COUNTY	Chaves	POOL	Double L-Queen	
TOWNSHIP	158	RANGE	29E	NMPM
	</			

Purpose: Two completed oil wells capable of producing.

R. G. McPherson, Rob Well No.1 in unit H of Section 1-15-29.
Completed in Queen 9-17-29 through perforations 1924' to 1940'.

R. G. McPherson, Rob Well No.2 in unit I of Section 1-15-29.
Completed in Queen 10-16-69 through perforations 1942' to 1950'.

Pool boundary colored in red.

Proposed extension colored in green. Section 1: E/2 E/2

CASE 4258: (c) EXTENSION OF AN EXISTING OIL POOL (Continued)

County CHAVES Pool DOUBLE L-QUEEN

TOWNSHIP 15 South Range 30 East NMPM

		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.

JACK L. McCLELLAN - Sue Federal #1 in Unit N of Section 6-15-30. Completed in Queen on September 1, 1969. Top of Perforations 1980'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 6: SW/4

CASE 4258: (d) EXTENSION OF AN EXISTING OIL POOL

County LEA

Pool **HARDY-BLINERY**

TOWNSHIP 21 South

Range **36 East**

NMPM

	2	1
1	7	3

A 6x6 grid with numbers 1 through 36. The numbers are arranged in a standard 6x6 grid pattern. In the top right corner, there is a 2x2 inset box containing the numbers 9, 10, 15, and 16. The numbers 9 and 10 are in the top row of the inset, and 15 and 16 are in the bottom row. The numbers 9 and 15 are in the left column, and 10 and 16 are in the right column.

PURPOSE: To take in dedicated acreage in pool.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 2: Lots 9, 10, 15 and 16

CASE 4258: (c) EXTENSION OF AN EXISTING OIL POOL

County LEA Pool HOBBS-DRINKARD

TOWNSHIP 18 South Range 38 East NMPM

PURPOSE: Three completed oil wells capable of producing.

SHELL OIL COMPANY - Grimes #9 in Unit M of Section 28-18-38. Completed in Drinkard on September 11, 1969. Top of Perforations 6765'.

SHELL OIL COMPANY - Grimes #10 in Unit L of Section 28-18-38. Completed in Drinkard on October 1, 1969. Top of Perforations 6623'.

GETTY OIL COMPANY - H. D. McKinley #9 in Unit G of Section 30-18-38. Completed in Drinkard on September 20, 1969. Top of Perforations 6927'.

Pool boundary colored in red.

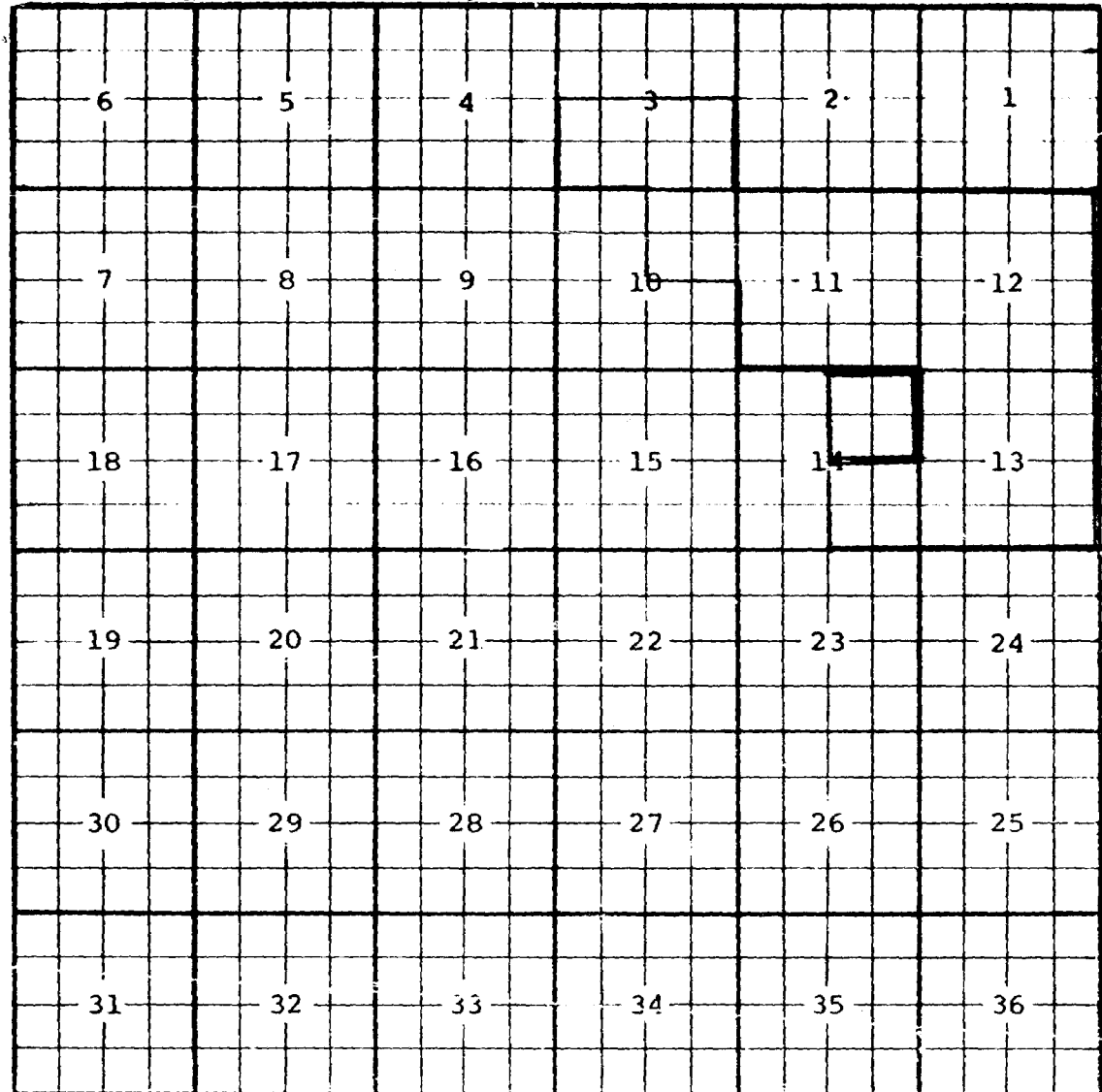
Proposed pool extensions colored in green. SECTION 28: SN/4

SECTION 30: NE/4

CASE 4258: (f) EXTENSION OF AN EXISTING GAS POOL

County LEA Pool LEA-PENNSYLVANIAN GAS

TOWNSHIP 20 South Range 34 East NMPM



PURPOSE: To take all dedicated acreage into pool.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 14: NE/4

CASE 4258: (g) EXTENSION OF AN EXISTING OIL POOL

County LEA Pool WEST SAWYER-SAN ANDRES

TOWNSHIP <u>9 South</u>		Range <u>37 East</u>		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: Two completed oil wells capable of producing.

COASTAL STATES GAS PRODUCING COMPANY - Marr #1 in Unit P of Section 33-9-37. Completed in San Andres on September 1, 1969. Top of Perforations 4985'.

COASTAL STATES GAS PRODUCING COMPANY - Santa Fe #3 in Unit J of Section 33-9-37. Completed in San Andres on October 25, 1969. Top of Perforations 4928'.

Pool boundary colored in red.

Proposed pool extensions colored in green. SECTION 32: SE/4 and E/2 SW/4

CASE 4258: (h) EXTENSION OF AN EXISTING OIL POOL

COUNTY	Eddy	POOL	Shugart		
TOWNSHIP	18S	RANGE	30E	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: Two completed oil wells capable of producing.

Yates Petroleum Corp. Creek AL Well No.3 in unit C of Section 25-18-30. Completed in Queen 8-27-69 through perforations 3302' to 3376'.

Yates Petroleum Corp. Creek AL Well No.4 in unit O of Section 24-18-30. Completed in Queen 10-19-69 through perforations 3358' to 3384'.

Pool boundary colored in red.

Proposed extension colored in green. Section 25: E/2 NW/4
Addition Section 24: SW/4 SE/4

CASE 4258: (1) EXTENSION OF AN EXISTING OIL POOL

County LEA Pool SPENCER-SAN ANDRES
TOWNSHIP 17 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: Two completed oil wells capable of producing.

AZTEC OIL & GAS COMPANY - State "DS" #2 in Unit K of Section 24-17-36.

Completed in San Andres on August 21, 1969. Top of Perforations 4944'.

AZTEC OIL & GAS COMPANY - State DS #4 in Unit L of Section 24-17-36. Completed in San Andres on October 25, 1969. Top of Perforations 4964'.

ADDITION--SUN OIL COMPANY - DX DIVISION - New Mexico EE State #1 in Unit H of Section 13-17-36. Completed in San Andres on October 9, 1969. Top of Perforations 4954'.

ADDITION--AZTEC OIL & GAS COMPANY - State DS #3 in Unit J of Section 24-17-36. Completed in San Andres on October 20, 1969. Top of Perforations 4925'.

Pool boundary colored in red.

Proposed pool extensions colored in green. SECTION 24: N/2 SW/4

ADDITIONS-----SECTION SE/4 and S/2 NE/4

SECTION 24: N/2 SE/4 and NE/4

CASE 4258: (j) EXTENSION OF AN EXISTING OIL POOL

COUNTY	Chaves	POOL	Sulimar-Queen		
TOWNSHIP	158	RANGE	29E	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.

Pan American Petroleum Corp. LaRue Federal Well No.1 in unit D of Section 25-15-29. Completed in Queen 9-14-69 through perforations 1958' to 1970'.

Pool boundary colored in red.

Proposed extension colored in green. Section 25: NW/4 NW/4

CASE 4258: (k) EXTENSION OF AN EXISTING OIL POOL

County LEA Pool TULK-PENNSYLVANIAN

TOWNSHIP		Range		NMPM	
<u>14 South</u>		<u>32 East</u>			
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.

BELL PETROLEUM COMPANY - De Soto State #1 in Unit D of Section 35-14-32. Completed in Permo Pennsylvanian on September 25, 1969. Top of Perforations 9726'.

Pool boundary colored in red.

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

NOMENCLATURE ADVERTISEMENT FOR NOVEMBER, 1969

CASE 4258

1971 14 1969

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 Lea County, New Mexico, the reclassification of an existing pool in Chaves County, New Mexico, and the extension of certain existing pools in Chaves, Eddy, and Lea 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, reclassifications, and extensions should not be made.

a) CREATE A new pool in Lea County, New Mexico, classified as an oil pool for Montoya production and designated as the Loop 18-Montoya Pool. The discovery well is Gulf Oil Corporation, Harry Leonard NCT-E No. 5 located in Unit H of Section 16, Township 21 South, Range 37 East, NMPM. Said pool ~~was~~ described as: *Complete:*

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

~~b) RECLASSIFY the Lightcap-Pennsylvanian Pool from an oil pool to a gas pool designated as the Lightcap-Pennsylvanian Gas Pool in Chaves County, New Mexico. Also, extend said Lightcap-Pennsylvanian Gas Pool to include therein:~~

R-3851

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM
SECTION 7: NW/4, W/2 NE/4 and SE/4 NE/4

R-3851

b c) EXTEND the North Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
SECTION 26: NW/4

c d) EXTEND the Double L-Queen Pool in Chaves County, New Mexico, to include therein:

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

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 1: E/2 E/2

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
SECTION 6: SW/4

d e) EXTEND the Hardy-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 2: Lots 9, 10, 15 and 16

e f) EXTEND the Hobbs-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
SECTION 28: SW/4
SECTION 30: NE/4

November, 1969 Nomenclature

- f g) EXTEND the Lea-Pennsylvanian Gas Pool in Lea County, New Mexico, to include —
therein:

✓ TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM
SECTION 14: NE/4

- g h) EXTEND the West Sawyer-San Andres Pool in Lea County, New Mexico, to in- ✓
clude therein:

✓ TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
SECTION 33: SE/4 and E/2 SW/4

- h i) EXTEND the Shagart Pool in Eddy County, New Mexico, to include therein: ✓

✓ TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 25: E/2 NW/4

- i j) EXTEND the Spencer-San Andres Pool in Lea County, New Mexico, to include ✓
therein:

✓ TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
SECTION 24: N/2 SW/4

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

✓ TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 25: NW/4 NW/4

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

✓ TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM
SECTION 35: NW/4

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^{and} extensions, ~~and abolishments~~ included herein shall be November 1969.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

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. 4258
ORDER NO. R- 3877

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on November 19, 1969, at Roswell, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this ___ day of November, 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 Lea County, New Mexico, for the production of oil from the Montoya formation, said pool to bear the designation of Loop 18-Montoya Pool. Said Loop 18-Montoya Pool was discovered by the Gulf Oil Corporation Harry Leonard NCT-E Well No. 5, located in Unit H of Section 16, Township 21 South, Range 37 East, NMPM. It was completed in the Montoya formation on September 11, 1969. The top of the perforations is at 7295 feet.

(3) That there is need for certain extensions to the Double L-Queen Pool and the Sulimar-Queen Pool, both in Chaves County, New Mexico, the Shugart Pool in Eddy County, New Mexico, the North Baum-Upper Pennsylvanian Pool, the Hardy-Blinebry Pool, the Hobbs-Drinkard Pool, the Lea-Pennsylvanian Gas Pool, the West Sawyer-San Andres Pool, the Spencer-San Andres Pool, and the Tulk-Pennsylvanian Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as an oil pool for Montoya production, is hereby created and designated as the Loop 18-Montoya Pool, consisting of the following described area:

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

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

✓ TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
SECTION 26: NW/4

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

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

✓ TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 1: E/2 E/2

✓ TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
SECTION 6: SW/4

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

✓ TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 2: Lots 9, 10, 15 and 16

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

✓ TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
SECTION 28: SW/4
SECTION 30: NE/4

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

✓ TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM
SECTION 14: NE/4

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

✓ TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
SECTION 33: SE/4 and E/2 SW/4

(h) 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 24: SW/4 SE/4
SECTION 25: E/2 NW/4

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

✓ TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
SECTION 13: SE/4 and S/2 NE/4
SECTION 24: N/2 S/2 and NE/4

(j) 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 25: NW/4 NW/4

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

✓ TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM
SECTION 35: NW/4

IT IS FURTHER ORDERED:

That the effective date of this order and all creations and extensions included herein shall be December 1, 1969.

DONE at Roswell, 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

CASE 4259: Application of AZTEC
OIL & GAS FOR SALT WATER DISPOSAL
LEA COUNTY, NEW MEXICO.