Case Number 4666

Application

Trascripts

Small Exhibits

ETC

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION MORGAN HALL, STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO February 16, 1972

EXAMINER HEARING

IN THE MATTER OF:

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Southeast nomenclature case calling for an order for the creation and extension of certain pools in Lea, Chaves and Eddy Counties, New Mexico.

CASE NO. 4666

Elvis Utz BEFORE: Examiner

TRANSCRIPT OF HEARING

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MR. UTZ: Case 4666.

MR. HATCH: Case 4666: Southeast nomenclature case calling for an order for the creation and extension of certain pools in Lea, Chaves and Eddy Counties, New Mexico.

The Commission will call Mr. Ramey.

J. D. RAMEY,

was called as a witness and, after being duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. HATCH:

- Q Would you state your name and position, for the record, please?
- A J. D. Ramey, Supervisor for the Commission in District I,
 Hobbs.

MR. UTZ: Let me ask for appearances.

MR. HINKLE: Clarence Hinkle of Hinkle. Bondurant and Christy, Roswell, New Mexico. I am appearing on behalf of Lone Star Producing Company, in connection with item (j) which involved the Tres Papalotes-Pennsylvanian Pool.

MR. UTZ: Any other appearances?

(No response.)

MR. UTZ: You may proceed.

(By Mr. Hatch) Are you prepared, Mr. Ramey, to make certain recommendations concerning the creation and extension of certain pools in Lea, Chaves and Eddy

	4		Exhibit?
	5	Α	Yes.
	6	Q	Will you refer to Exhibit Number 1, paragraphs "A through
	7		K" and point out the difference between the dockets
	8		described?
	9	A	I have an addition in paragraph "J", however, I think
	10		at this time, we should I will withhold my
	11		recommendation for paragraph "J" until Mr. Hinkle and
NEW MEXICO 87103 87108	12		his witness have presented their testimony.
	13	Q	The Exhibit is the same as the docket, with the
	14		exception of paragraph "J"?
	15	A	Yes, the remainder is the same with the exception of
ONE 243-6491. CLBUQUERQUE.	16		"ក្រ" ,
0 0 0 0 0 0 0 0 0 0 0 0	17	Q	Do you recommend the pools there, with the exception
43-6691 UQUER	18		of paragraph "J", be extended, as shown on the docket?
TONE 4	19	A	Yes, I do.
1092 + PHO	20	Q	Was Exhibit Number 1 prepared by you, or by some member
F BOX	21		of the Commission's staff?
6.0 P.0	22	A	It was, yes.
MS BLD	23		MR. HATCH: I think, at this time, that will be
209 SIMMS BLDG. P.O. BOX	24	all.	Mr. Ramey may wish to appear after Mr. Hinkle's witness.
- -	25		MR. UTZ: Do you want to introduce your Exhibit?

Are your recommendations prepared in the form of an

Counties, New Mexico?

Yes, I am.

MR. HATCH: We will wait a few minutes and see.

THE WITNESS: I may wish to make a statement after

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Mr. Hinkle finishes.

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No, I have not.

(Witness excused.) 5 MR. HINKLE: We have one witness we would like to б have sworn. 7 GERALD D. HURD, 8 appeared as a witness and, after being duly sworn, testified 9 as follows 10 DIRECT EXAMINATION 11 BY MR. HINKLE: 12 Would you state your name --13 MR. UTZ: This is Lone Star, right? 14 MR. HINKLE: That is right, the Lone Star Producing Company. 15 16 (By Mr. Hinkle) Would you state your name and 17 residence, and by whom you are employed? 209 SIMMS BLDG. P.O. BOX 1092 «PHONE 243-699) Pirst national Bank Bldg. East «Albuquer Gerald D. Hurd, Midland, Texas, and I am employed by 18 Α the Lone Star Producing Company. 19 What is your position with Lone Star? 20 Q District Engineer for West Texas. 21 A Are you a Petroleum Engineer? Q 22 I am. A 23

Have you testified previously before the Commission?

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ι	Q	State briefly your education and experience qualifications
2		as a Petroleum Engineer.
3	A	I was graduated in 1955, with a Bachelor of Science

A I was graduated in 1955, with a Bachelor of Science

Degree in Petroleum Engineering from the University of
Tulsa.

I worked as a Reservoir Engineer with Sinclair
Oil Company, for seven years and the Forest Oil Company
for eight years.

I have been with Lone Star for ten months.

Q Have you made a study of the Tres Papolotes-Pennsylvanian Pool in Lea County, New Mexico?

A Yes.

MR. HINKLE: Are the witness qualifications accepted?

MR. UTZ: Yes, they are.

- Q (By Mr. Hinkle) Have you prepared, or have you had prepared, under your direction, certain Exhibits to be introduced in this case?
- A Yes, I have.
- Q I refer you to Exhibit Number 1, will you explain to the Commission what it is, and what it shows?
- A This is a cross section of five wells in the area that are marked Tres Papalotes area. There is a small map in the lower left hand corner of the contour of the top of the surface line and it also shows the location of

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the wells and cross sections.

It may be noted that those wells colored in green are producing from the upper zone of the Pennslyvanian formation, and those in orange are producing from the lower zone.

- Where are the Lone Star wells located? Q
- A In Section 33.
- All three of the wells shown? Q
- Α All three of the wells shown are Lone Star wells.
- Which was the discovery well? Q
- Number 8, the one in the north was the discovery well Α and it was discovered in January, 1970 -- or was completed in January of 1970.
- Was the MacDonald-State shown as a dry hole in Section 32, Q completed before you made the discovery in Section 33?
- Yes, it was. Α
- When was the Sun-State well drilled in Section 34? Q
- Subsequent to the discovery well. A
- Were the wells shown in Sections 29, 30, and 31, in Q green, drilled subsequent to the development of your wells in Section 33?
- The producing wells have been drilled in the past six A months.
- Now, explain to the Commission your cross section here Q and what it shows.

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-	1	A	Well. we attempted to show here that we have at least
	2		two producing wells here and they are completed in
	3	*	the upper zone of the Pennsylvanian.
	4		Although we only have one represented here, we
	5		have two similarly completed in the lower zone of
	6		the Pennsylvanian.
	7	Q	And it also shows the MacDonald-State Number 1 dry
	8		hole?
	9	A	Yes.
	10	Q	And the Lone Star Number 1 well which was the discovery
	11		well and the Sun-State Number 1?
3	12	A	Yes.
	13	Q	What are the producing zones in the State Number 1 Lone
01.	14		Star?
NEW MEXICO 87108	15	A	What are the producing zones?
. ¥	16	Q	Yes.
() M	17	A	They are in the lower zone of the Pennsylvanian section.
73000	18	· · · Q	In your opinion, are these separate reservoirs?
TOALE	19	A	Yes, we believe them to be producing from separate
)G. EA	20		reservoirs.
, z	21	Q	Does your Exhibit indicate a low in between?
4 6 J	22	Α.	There appears to be. There are three drill holes
FIRST NATIONAL BANK BIDG. RAST-A-FDUDURRD	23	± *	between the Tres Papalotes field or pool, and these
F R	24	· .	two wells.
	25	Q	Is there any production to the north of the Mark-Shell

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	4		producing from a separate zone, or are they producing
් ද්	5		from the east Saunders Pool?
)))	6	A	I don't really know that I studied that enough to
.) - -	7		answer that question.
	8	Q	The Saunders wells are producing from the uper zone,
	9	· 	are they not?
3	10	A	Yes.
2	- 11	Q	So it is possible they could be producing from the
IVENTIONS 87103	12		same pool in the Pennsylvanian, as the Saunders wells?
	13	A	Very likely.
ALLY COPY, CON NEW MEXICO 87108	14	Q	Would that be more likely than them producing from the
DONY, DAI	15		Tres Papalotes area?
TEST TO TO THE STATE OF THE STA	16	A	Definitely.
EXPERT 1 - ALBI	17	Q	Because of the dry holes in between?
STATEMENTS, DNE 243-669	18	A	Well, not only because of the dry holes, but because
	19		of their position in the Pennsylvanian section.
HEARINGS, 1092 • PH	20	Q	An entirely different interval?
POSITIONS,	21	A	Yes.
NG IN: DEPO BLOG P.	22	Q	What is the interest of Lone Star in this situation,
FPECIALIZING IN: DEPOSITION 200 BIMMS BLDG. • P.O. BO FIRBT NATIONAL BANK B	23		this proposed extension?
SPECIALIZIN 209 BIMMS PIRBT NAT	24	A	We plan in the future, to attempt unitization of water
	25		flooding in the immediate area and hopefully we will
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State Number 1 and the Mark-Etcheberry Number 1?

In your opinion, are these producing, the two Mark wells,

Yes, the Saunders is immediately north.

243-6651 0 ALBUQUERGUE, NEW MEXICO 67105 Buquerrque, New Mexico 67108 SIMMS BLDG. P.O. BOX 1092 - PHONE BT NATIONAL BANK BLDG. EAST-AL 209 SII

PAGE 10 not have to complicate matters by including other wells and other zones. 3 If you go ahead with your secondary recovery program, 4 with your three wells, in Section 33, you would be 5 flooding the producing area where your Lone Star 86, 6 State Number 1 is located; is that right? That's right. 7 Α Rather than the upper horizon, which is shown in the 8 Q 9 upper left-hand portion of the plat? 10 Α That's right. 11

It would be an entirely different situation then?

Α Yes.

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And that is your primary interest in this, so as not to have additional acreage included in the future so you would not have to deal with it as far as your secondary recovery is concerned?

Not only secondary recovery, but mainly our unitization. Ā

Q Is there anything you would like to bring out in connection with this Exhibit?

I don't believe so.

MR. HINKLE: We will offer Exhibit Number 1.

MR. UTZ: Without objection, it will be entered into the record of this Case.

> (Whereupon, applicant's Exhibit 1 was admitted in evidence.)

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CROSS-EXAMINATION

BY MR. RAMEY:

Q Are you aware now that the Tres Papalotes has been extended to include the south half of Section 29?

A Yes, I didn't attend the Hearing on it, but I know about it.

The Commission has already extended this and the extension today was to include the other two wells?

A Yes.

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Q In Sections 30 and 31?

A Yes.

Q Under pool rules, both the Tres Papolotes and the Saunders, aren't these Pennsylvanian Pools?

A I'm not sure about that.

I think our problem has been in this area, that it seems like we have Tres Papolotes Pennsylvanian and East Saunders Pennsylvanian, and one of these pools have fixed well locations and none of the operators want to drill on fixed well locations.

I don't remember which has a fixed well location.

MR. UTZ: Do you know, Mr. Herd, whether the East

Saunders has fixed well locations?

THE WITNESS: I'm afraid I don't know. We are not bothered by the East Saunders anyway, that is a separate situation.

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MR. UTZ: Mr. Murd, in your opinion -- while

Mr. Ramey is looking that up, in your opinion, is your area

undesignated at this time?

THE WITNESS: Well, I believe we are in the Tres Papolotes Pool.

MR. UTZ: My question is, is this area where the four wells are shown an undesignated area?

THE WITNESS: I would say that it is not an undesignated area, it is in the Tres Papolotes Pool.

MR. UTZ: It is in the Tres Papolotes at this time?
THE WITNESS: Yes.

MR, UTZ: It is designated as Section 32 and the northeast section of Section 31, that doesn't include Sections 33 and 34.

MR. RAMEY: I think what the situation is, Mr. Utz, I think, in my mind, this is probably a separate structure and these four wells are in the Tres Papolotes, however, as you know, it is not unusual to drill dry holes and come back later and make wells out of them.

I cannot locate the horizontal limits of the East Saunders, at this time, but I would be in favor at this time, to just dismiss paragraph "J" from the nomenclature for further study and we will make a detailed study of the whole area and see what can be done.

I would not object to Mr. Hinkle's request, at

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SPECIALIZING IN: DEPOSITIONS, MEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS 206 SIMMS BLDG. P.O. BOX 1092-PHONE 245-6691-ALBUQUERQUE, NEW MEXICO 87103 FIRST NATIONAL BANK BLDG. EAST-ALBUQUERQUE, NIW MEXICO 87108

this time -- Mr. Hurd's request.

MR. UTZ: Mr. Hurd, how close would the extension get -- you are not really concerned with the East Saunders Pool?

THE WITNESS: Well, we are not really concerned with the East Saunders, we are just concerned that all the other operators and producers would be involved with our unitization program and they really, actually, don't even care to be involved.

I think they would rather do something themselves over there later.

(Whereupon, an off the record discussion was held.)

MR. UTZ: Mr. Hurd, in the Number 80 well out in

Section 33, is that producing from the same zone as the

Number 86 well?

THE WITNESS: Yes, they are.

MR. UTZ: Any questions of Mr. Hurd?

MR. PORTER: There is one point I think should be clarified. I believe Mr. Ramey asked if the area in the south half of Section 29 was already in the pool and I believe the witness said he didn't think that there had been a Hearing on it.

THE WITNESS: That's right.

MR. PORTER: For the record, the only way the Commission can extend a pool is by a Hearing.

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MR. RAMEY: This is an active area and it has just been in the last few months, I believe it was just a month ago, that it was extended to include the Mark well.

MR. HINKLE: In your study we would like to have you consider deleting that and only putting Section 33 in the Tres Papolotes because it is going to make a difference.

Our only interests is for water flooding purposes.

THE WITNESS: I'm not sure I want to go that far, I would rather see the east half of Section 32 placed in the Tres Papolotes and the northeast quarter of Section 5.

I am not certain where it belongs, but I think we are mostly interested in eliminating the Section a distance away from our field, specifically the west half of Section 32 and the northeast quarter of Section 31.

MR. UTZ: Do I understand you to say, Mr. Herd, that you are suggesting the east half of Section 32 be put in the Tres Papolotes Pool?

THE WITNESS: Yes, I believe so.

MR. UTZ: How about that dry hole there?

THE WITNESS: Fine.

MR. UTZ: What would you say about the southeast quarter of Section 28?

THE WITNESS: I imagine that would belong there as well as anyplace, belong in the Tres Papolotes.

MR. UTZ: Are there any further questions?

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(No response.) MR. UTZ: If not, the witness may be excused. 2 (Witness excused.) 3 J. D. RAMEY, was recalled as a witness and, having been already duly 5 sworn, testified as follows: 6 DIRECT EXAMINATION 7 EY MR. HATCH: 8 Mr. Ramey, you are moving for a dismissal of paragraph 9 "J" at this time? 10 Yes. 11 SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS 200 SIMMS BLDG.* P.O. BOX 1092*PHONE 243-6091*ALBUQUERQUE, NEW MEXICO 87103 FIRE" NATIONAL BANK BLDG. EAST*ALBUQUERQUE, NEW MEXICO 87108 did you prepare Exhibit Number 1? 12 Yes. 13 MR. HATCH: I would like to move for the introduction 14 of Exhibit 1, at this time. 15 MR. UTZ: We have accepted Lone Star's Exhibit 16 Number 1 as well as Mr. Ramey's Exhibit 1. 17 (Whereupon Commission Exhibit Number 1 was admitted 18 into evidence.) 19 MR. UTZ: Paragraph "J" will be dismissed. The 20 Case will be taken under advisement. 21 22

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS 209 SIMMS BLOG. # P.O. BOX 1092 #PHONE 243-6691 # ALBUQUERQUE, NEW MEXICO 87103 First national bank blog. East # albuquerque, new mexico 87108 STATE OF NEW MEXICO) ទន COUNTY OF BERNALILLO)

I, RICHARD E. McCORMICK, a Certified Shorthand 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.

I do necessy comify that the foregoing is

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MARK PRODUCTION COMPANY

1108 SIMONS BUILDING DALLAS. TEXAS 75201

CURTIS W. MEWBOURNE

February 23, 1972

748-0388 AREA CODE 214

RECEIVED

FEB 25 1972

AII. CONSERVATION COMM.

New Mexico Oil Conservation Commission State Land Office Building Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Mark Production Company operates three wells located in Sections 29, 30 and 32, T14S, R34E, Lea County, New Mexico. These three wells have been completed on 160 acre spacing and have been developed as a part of the Tres Papalotes (Permo-Penn) Field, the field to which they were assigned by the Commission. We have been requested to apply for new pool designation for this area, and we hereby do so, requesting that this area be named the Metts (Permo-Penn) Field. We request that the spacing be designated as 160 acres per well and request the same special rules in effect for the Tres Papalotes (Permo-Penn) Field, since these are the rules under which this area has been developed.

Very truly yours,

Curtis W. Mewbourne

CWM/bw

cc: Mr. J. D. Ramey
New Mexico Oil Conservation
Commission
P. O. Box 1980
Hobbs, New Mexico

7-28-72

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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501 LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY – DIRECTOR

GOVERNOR BRUCE KING

CHAIRMAN

February 18, 1972

Re	: Case No. 4666
Mr. Clarence Hinkle Hinkle, Bondurant, Cox & Eaton	Order No. R-4258
Attorneys at Law Post Office Box 10	Applicant:
Roswell, New Mexico 88201	occ
Dear Sir:	
Enclosed herewith are two copies Commission order recently entere	
Very	truly yours,
α	L. Vorter, S.
A. L.	PORTER, Jr. tary-Director
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copy of order also sent to:	
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Other	

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. 4666 Order No. R-4258

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 10:00 a.m. on February 16, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 18th day of February, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 Wolfcamp formation, said pool to bear the designation of La Rica-Wolfcamp Pool was discovered by the Union Oil Company of California, Pipeline "A" Federal Well No. 1, located in Unit G of Section 8, Township 19 South, Range 34 East, NMPM. It was completed in the Wolfcamp formation on October 27, 1971. The top of the perforations is at 10,824 feet.
- (3) That there is need for certain extensions to the Double L-Queen Associated Pool, the Haystack-Cisco Gas Pool, and the Sulimar-Queen Pool, all in Chaves County, New Mexico,

-2-CASE NO. 4666 Order No. R-4258

the Indian Basin-Upper Pennsylvanian Gas Pool and the Shugart Pool, both in Eddy County, New Mexico, the Dollarhide-Fusselman Pool, the Flying "M"-San Andres Pool, the Sawyer-San Andres Gas Pool, and the Wantz-Granite Wash Pool, all in Lea County, New Mexico. Further, that the proposed extension to the Tres Papalotes-Pennsylvanian Fool, Lea County, New Mexico, should be dismissed pending further study.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 19 SOUTH, RANGE 34 BAST, MMPM Section 8: NE/4

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

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM Section 30: SE/4

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

TOWNSHIP 14 SOUTH, RANGE 29 BAST, MMPM Section 24: NW/4 SW/4

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

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM Section 31: E/2

(e) That the Haystack-Cisco Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 6 SOUTH, RANGE 27 EAST, NMPM Section 16: S/2

-3-CASE NO. 4666 Order No. R-4258

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

TOWNSHIP 22 SOUTH, RANGE 23 EAST, KYPM Section 22: All

(g) That the Sawyer-San Andres Gas 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 24: NE/4 NW/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 26: E/2

(i) 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 26: NW/4 SE/4 and NE/4 SW/4

(j) That the proposed extension to the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM Section 30: SE/4 Section 31: NE/4 Section 32: All

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM Section 5: NE/4

is hereby dismissed.

(k) That the Wantz-Granite Wash Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is

-4-CASE NO. 4666 Order No. R-4258

hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 11: E/2 Section 12: SW/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 March 1, 1972.

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

SEAL

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

112 MMK/

BRUCK KING, Chairman

J. AMIJO, Member

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

dr/

CASE 4666: Southeast nomenclature case calling for an order for the creation and extension of certain pools in Lea, Chaves and Eddy Counties, New Mexico.

> (a) Create a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as La Rica-Wolfcamp Pool. The discovery well is the Union Oil Company of California Pipeline "A" Federal No. 1 located in Unit G of Section 8, Township 19 South, Range 34 East, NMPM. Said pool would comprise:

> > TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM SECTION 8: NE/4

(b) Extend the Dollarhide-Fusselman Pool in Lea County, New Mexico, to include therein:

> TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM SECTION 30: SE/4

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

> TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM SECTION 24: NW/4 SW/4

Extend the Flying "M"-San Andres Pool in Lea County, New Mexico, to include therein:

> TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM SECTION 31: E/2

(e) Extend the Haystack-Cisco Gas Pool in Chaves County, New Mexico, to include therein:

> TOWNSHIP 6 SOUTH, RANGE 27 EAST, NMPM SECTION 16: S/2

Extend the Indian Basin-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

> TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM SECTION 22: All

(Case 4666 continued)

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

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM SECTION 24: NE/4 NW/4

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

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM SECTION 26: E/2

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

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM SECTION 26: NW/4 SE/4 and NE/4 SW/4

(j) Extend the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM SECTION 31: NE/4 SECTION 32: All

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM SECTION 5: NE/4

(k) Extend the Wantz-Granite Wash Pool in Lea County, New Mexico, to include therein:

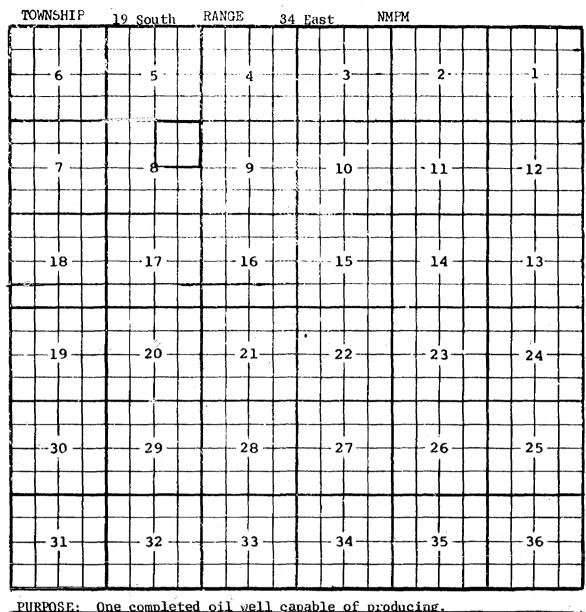
TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM SECTION 11: E/2 SECTION 12: SW/4

CASE 4667:

Northwest New Mexico nomenclature case calling for an order for the creation and extension of certain pools in San Juan, Rio Arriba, McKinley and Sandoval Counties, New Mexico,

(a) Create a new pool in San Juan County, New Mexico, classified as an oil pool for Pennsylvanian Buena production, be and the same is hereby created and designated as the Buena Suerte-Pennsylvanian Oil Pool. The discovery well

CASE 4666: (a) CREATION OF A NEW OIL POOL
COUNTY LEA POOL LA RICA-WOLFCAMP



PURPOSE: One complete	ed oil we	ell_capab	re or brogn	cing	
UNION OIL COMPANY OF	CALIFORNI	[A - Pipe	line "A" Fe	deral #1 in	Unit G of
Section 8-19-34. Com	pleted in	ı Wolfcamı	on Octobe	r 27, 1971.	Top of
Perforations 10,824'.				:	
Proposed pool boundar					9
Froposed poor poundar	y corored	I III ZCu,	DIVITON O	116/4	
				· · · · · · · · · · · · · · · · · · ·	
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4.					
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CASE 4666: (b) EXTENSION OF AN EXISTING OIL POOL POOL DOLLARHIDE-FUSSELMAN COUNTY TOWNSHIP 24 South RANGE 38 East 6 10 - 11 12 -18 -17 - 15 -14 -13--19 20 -22 23 24 29 - 27 26 25 36 32 -34-35 PURPOSE: One completed oil well capable of producing. HNG OIL COMPANY - RAF "30" #1 in Unit O of Section 30-24-38. Completed in Fusselman December 10, 1971. Top of Perforations 8753'. Pool boundary colored in red. Proposed pool extension colored in green. SECTION 30: SE/4

COUNTY	Chaves	POOL I	Double L-Qu	een Associated	
TOWNSHIP	148	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	20	24
					23
30	29	28 -	27	36	
31-	32	33	34-	35	36
perator	1.	se #	& Ut. S.T.	R. Comp.	Form.
	ndary outli		7.5*		
		Sec. 24:	NW/4 SW/4		
					•

CASE 4666: (d) EXTENSION OF AN EXISTING OIL FOOL

POOL FLYING "M"-SAN ANDRES COUNTY TOWNSHIP 9 South RANGE -12 10 -- 11 - 16 18 17 -- 15 14 21--19 23-24 27 26 29 28 25 34-- 35 36

PURPOSE: Two completed oil wells capable of producing.

COASTAL STATES GAS PRODUCING COMPANY - Gonsales "31" Federal #1 in Unit.

J of Section 31-9-33. Completed in San Andres on December 29, 1971.

Top of Perforations 4214'.

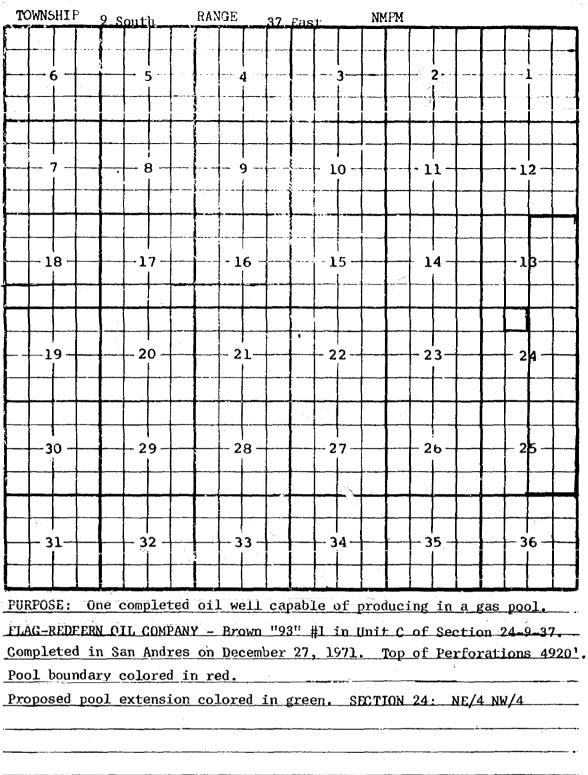
COASTAL STATES GAS PRODUCING COMPANY - Gonsales "31" Federal #2 in Unit.

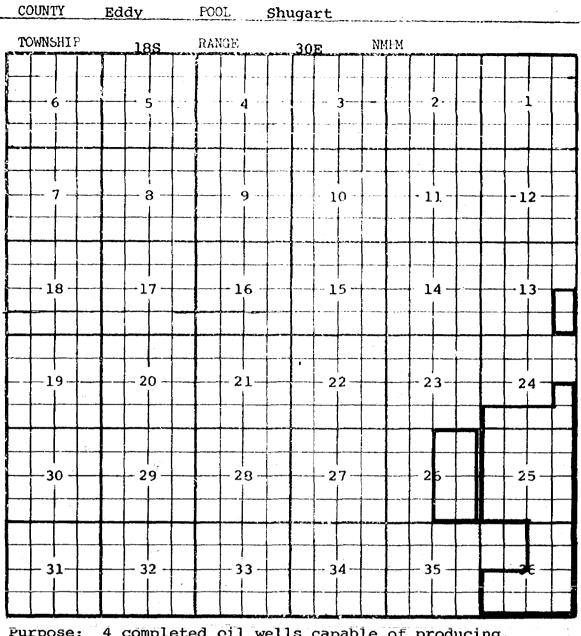
H of Section 31-9-33. Completed in San Andres on January 10, 1972. Top of Perforations 4261'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 31: E/2

COUNTY	Eddy	POOL Indi	an Basir	-Upper Penn	. Cas	
TOWNSHIP	22S	RANGE	23E	NMI M		
6		4	3	2.		
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-	
irpose:	One comple	ted gas we	ll capab	le of produc	ing.	j
	. & Gas Co.		#_&_1			
						
	dary outlin				4-	
	S	ec. 22: Al	<u>rr</u>			
	"Ear					- ·





4 completed cil wells capable of producing. Purpose:

<u> </u>				
Lease	# & Ut	S.T.R.	Comp.	Form.
Ginsberg Fed.	8-A	26-18-30	11-18-71	Q-GB
	9 - H	11	10-29-71	
	10-I		11-24-71	
11	11-P	If	12-11-71	11-
tlined in red.				••
on outlined in	green.			
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				·
N. Sarah		San		•
	Ginsberg Fed. " " tlined in red. on outlined in	Ginsberg Fed. 8-A " 9-H " 10-I " 11-P	Ginsberg Fed. 8-A 26-18-30 " 9-H " 10-I " 11-P " tlined in red. on outlined in green.	Ginsberg Fed. 8-A 26-18-30 11-18-71 " 9-H " 10-29-71 " 10-I " 11-24-71 " 11-P " 12-11-71 tlined in red. on outlined in green.

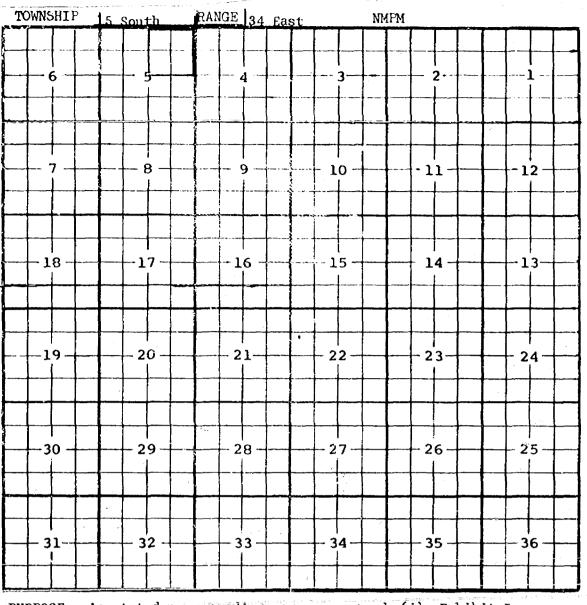
TOP 3187' 3166' 3160' 3190'

COUNTY	Cnaves	POOL	Sulimar-Quee	- 4 4		
TOWNSHIP	15S	RANGE	29E	nmpm		
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6	5	4	3	2	- -1	
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7	8	9				
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18	17	16	15	14	13-	
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	20 -	21	22	23	24-	
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30	29	28	27	3	25 —	
+ 31+	32 +	33	34	35	36 -	
+					1	
rpose:	One compl	<u>leted oi</u>	<u>! well capabl</u>	e of produc	ing.	
		745				
perator		Leas	e #&Ut.	S.T.R. Co	mp.	Form. T
ead & St	evens, Inc	. Suli	mar 1-K 26-	15-29 11-	23-71	Queen 19
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ool houng	dary outli	ned in				· · · · · · · · · · · · · · · · · · ·
-			<u>LCU.</u>			
	avtonai on					- i
Loposea	excension		d in green.	NT /4 CT /4		. 5
2%		sec. 26	: NW/4 SE/4 &	NE/4 SW/4;		
						· · · · · ·
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CASE 4666: (j) EXTENSION OF AN EXISTING OIL POOL (Continued on next page) Further Study. COUNTY TRES PAPALOTES-PENNSYLVANIAN Dismissed Pending
4 East NMPM TOWNSHIP RANGE 14 South 8 10 - 11 -12 17 --16 18 - 15 14 19 20 - 21-22 23 24 25 27 26 32 35 36 PURPOSE: Two completed oil wells capable of producing. AMINI OIL CORPORATION - New Mexico State #1 in Unit A of Section 31-14-34. Completed in Pennsylvanian on December 16, 1971. Top of Perforations 10,4011. ADDITION -- MARK PRODUCTION COMPANY - Shell State #1 in Unit P of Section 30-14-34. Completed in Permo Pennsylvanian on January 23, 1972. Top of Perforations 10,384'. Pool boundary colored in red. Proposed pool extensions colored in green, SECTION 31: NE/4 Promissed Ther Sur there SECTION 32: All ADDITION----SECTION 30: SE/4

CASE 4666: (j) EXTENSION OF AN EXISTING OIL POOL (Continued)

COUNTY LEA POOL TRES PAPALOTES-PENNSYLVANIAN



PURPOSE: As stated on preceding page, paragraph (j),	Exhibit I.	
C. W. TRAINER - Etcheverry Com #1 in Unit A of Section		
pleted in Pennsylvanian on December 14, 1971. Top of	Perforations	10,460
Pool boundary colored in red.		
Proposed pool extension colored in green. SECTION 5:	NE/4	·····
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3		
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CASE 4666: (k) EXTENSION OF AN EXISTING OIL POOL POOL WANTZ-GRANITE WASH COUNTY TOWNSHIP RANGE 22 South 8 -10 17 - 15 14 18 -- 20 - 21--19 22-23 24 30 29 - 28 27-26-25 32 34-- 35 -31-- 33 -- 36 PURPOSE: One completed oil well capable of producing. Pool boundary colored in red. Proposed pool extensions colored in green. SECTION 11: E/2 SECTION 12: SW/4

JOHN H. HENDRIX - Cossatot "B" #2 in Unit M of Section 12-22-37. Completed in Granite Wash on January 5, 1972. Top of Perforations 7201'.

NOMENCLATURE ADVERTISEMENT FOR FEBRUARY, 1972 CASE 4/666

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, 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 and extensions should not be made.

a) CREATE A new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the La Rica-Wolfcamp Pool. The discovery well is Union Oil Company of California, Pipeline "A" Federal No. 1 located in Unit G of Section 8, Township 19 South, Range 34 East, NMPM. Said pool described as:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM SECTION 8: NE/4

b) EXTEND the Dollarhide-Fusselman Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM SECTION 30: SE/4

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

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM SECTION 24: NW/4 SW/4

d) EXTEND the Flying "M"-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM SECTION 31: E/2

e) EXTEND the Haystack-Cisco Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 6 SOUTH, RANGE 27 EAST, NMPM SECTION 16: S/2

f) EXTEND the Indian Basin-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM SECTION 22: All

g) EXTEND the Sawyer-San Andres Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, MAPA SECTION 24: NE/4 NW/4

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... COMESERVATION COMM.

- h) -EXTEND the Shugart Pool in Eddy County, New Mexico, to include therein:
 - TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM SECTION 26: E/2
- i) EXTEND the Sulimar-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM SECTION 26: NW/4 SE/4 and NE/4 SW/4

- j) EXTEND the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:
 - TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM SECTION 31: NE/4 SECTION 32: All
 - TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM SECTION 5: NE/4
- k) EXTEND the Wantz-Granité Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM SECTION 11: E/2 SECTION 12: SW/4

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OU CONSERVATION COMM,

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. 4665 ORDER NO. R- 4425

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 10:00 a.m. on February 16, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this day of February, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 Wolfcamp formation, said pool to bear the designation of La Rica-Wolfcamp Pool. Said La Rica-Wolfcamp Pool was discovered by the Union Oil Company of California, Pipeline "A" Federal Well No. 1, located in Unit G of Section 8, Township 19 South, Range 34 East, NMPM. It was completed in the Wolfcamp formation on October 27, 1971. The top of the perforations is at 10,824 feet.
- (3) That there is need for certain extensions to the Double L-Queen Associated Pool, the Haystack-Cisco Gas Pool, and the Sulimar-Queen Pool, all in Chaves County, New Mexico, the Indian Basin-Upper Pennsylvanian Gas Pool and the Shugart-Pool, both in Eddy County, New Mexico, the Dollarhide-Fusselman Pool, the Flying "M"-San Andres Pool, the Sawyer-San Andres Gas Pool, the Tree Papalotes-Pennsylvanian Pool, and the Wantz-Granite Wash Pool, all in Lea County, New Mexico. Further, that the proposed extension to the Tree Papalotes-Pennsylvanian Pool, Lea County, New Mexico, Should be dismissed IT IS THEREFORE ORDERED: pending further study.
- (a) That a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production, is hereby created and designated as the La Rica-Wolfcamp Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM SECTION 8: NE/4

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

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM SECTION 30: SE/4

(c) That the Double L-Queen Associated 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 24: NW/4 SW/4

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

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM SECTION 31: E/2

(e) That the Haystack-Cisco Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 6 SOUTH, RANGE 27 EAST, NMPM SECTION 16: S/2

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

TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM SECTION 22: All

(g) That the Sawyer-San Andres Gas 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 24: NE/4 NW/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 26: E/2

(i) 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 26: NW/4 SE/4 and NE/4 SW/4

(j) That the Tres Papalotes-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 30: SE/4
SECTION 31: NE/4
SECTION 32: All

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM SECTION 5: NE/4

is hereby dismissed

(k) That the Wantz-Granite Wash Pool in Lea County, New Mexico, as here-tofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM SECTION 11: E/2 SECTION 12: SW/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 March 1, 1972.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX ARMIJO, Member

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

SEAL