

CASE NO.

7448

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,  
ETC.

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
3 February 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of Energy Reserves  
Group, Inc., for creation of a  
new associated pool and special  
pool rules, Roosevelt County, New  
Mexico.

CASE  
7448

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearce, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

1  
2 MR. NUTTER: We'll call Case Number 7448.

3 MR. PEARCE: Application of Energy Re-  
4 serves Group, Inc., for creation of a new associated pool  
5 and special pool rules, Roosevelt County, New Mexico.

6 MR. NUTTER: This case has previously  
7 been heard twice, once in December and once the early part  
8 of January of this year.

9 There has been sufficient record made  
10 to proceed with issuance of an order in the case; therefor,  
11 we'll call for appearances at this time.

12 Does anyone have anything to say in Case  
13 Number 7448?

14 We'll take the case, then, under ad-  
15 visement, based on the record previously made in the other  
16 two hearings.

17  
18 (Hearing concluded.)  
19  
20  
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24  
25

C E R T I F I C A T E

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

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.

RC. 1 Box 199-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

I do hereby certify that the foregoing is  
a true and correct copy of the transcript  
as reported by me on 2/3 7448  
heard by me on 82

[Signature] Examiner  
Oil Conservation Division

## NEW MEXICO OIL CONSERVATION COMMISSION

## EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date

JANUARY 6, 1982

Time: 9:00 A.M.

NAME	REPRESENTING	LOCATION
<del>Donald J. [unclear]</del>	<del>Willis Law Firm</del>	<del>Wichita Falls</del>
Leonard J. Wiet	Superior Oil	Midland
Deirdre Arnold	Superior Oil	Midland
Fried Schantz	Superior Oil	Midland
Robert E. Warlock	Superior Oil	Midland
<del>Robert M. [unclear]</del>	<del>Superior Oil Company</del>	<del>Midland</del>
Emil L. Padilla	Colonial Production Co.	Santa Fe
Jerome J. O'Brien	"	San Antonio, TX
W. V. Kellin	Kellin & Kellin	Santa Fe, NM
T. Calder Ezell, Jr.	Hinkle Law Firm	Roswell, NM
Bill H. Heller	H. L. Brown Jr.	Midland, TX
Walter Walker Jr.	H. L. Brown Jr.	Midland, TX
Paul E. Hanks	NCD	HOBBS
Bub Hulse	Byrum	Santa Fe
Robert B. Clark	Energy Reserve Group Inc.	Midland, TX
W. R. Green	Energy Reserve Group Inc.	Midland, TX
<del>W. [unclear]</del>	<del>USMS</del>	<del>ALB</del>
JIM LAW	NEW MEXICO STATE LAND OFFICE	SANTA FE
Emil L. Padilla	Wainoco + BOA	SA, NM



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

6 January 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of Energy Reserves Group,  
Inc., for creation of a new gas pool  
and an unorthodox location, Roosevelt  
County, New Mexico.

CASE  
7448

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearce, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

T. Calder Ezzell, Jr., Esq.  
HINKLE LAW FIRM  
600 Hinkle Bldg.  
Roswell, New Mexico 88201

## A P P E A R A N C E S

For H. L. Brown: W. Thomas Kellahin, Esq.  
KELLAHIN & KELLAHIN  
500 Don Gaspar  
Santa Fe, New Mexico 87501

## I N D E X

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## E X H I B I T S

Applicant Exhibit B	13
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MR. STAMETS: Call next Case 7448.

MR. PEARCE: Application of Energy Reserves Group, Inc., for creation of a new gas pool and an unorthodox location, Roosevelt County, New Mexico.

MR. EZZELL: Mr. Examiner, Calder Ezzell of the Hinkle Law Firm of Roswell, representing Energy Reserves, the applicant.

Again, as we pointed out at the December 16th hearing, this is an error in the docket. There is no application for unorthodox location. It was granted some months ago.

At this point the applicant, Energy Reserves, would like to amend its application for the creation of the South Peterson Associated Pennsylvanian Pool. This would be created by taking the existing South Peterson Penn Pool and adding to that the following acreage, located in Township 5 South, Range 33 East, the northwest quarter of Section 30; and the following lands in Township 6 South, Range 33 East, in Section 11, the southeast quarter; in Section 12, the south half; and in Section 13, the north half.

The existing pool rules with the Peterson Penn would be continued and expanded to become an associated pool with the gas/oil ratio of 4000, 40-acre spacing for oil, and 320-acre spacing for gas production.

1  
2 MR. STAMETS: As I understand, Mr. Ez-  
3 zell, what you are doing in essence, is amending your appli-  
4 cation for creation of a new gas pool to then simply extend  
5 the South Peterson Pennsylvanian and also to bring that under  
6 the coverage of the general rules and regulations for asso-  
7 ciated pools under Order R-5353, with a 4000-to-1 GOR, 40-  
8 acre oil spacing and 30-acre gas spacing, and essentially  
9 take in this area that you anticipate being a gas pool?

10 MR. EZZELL: Yes, sir, 320-acre for gas  
11 spacing.

12 MR. STAMETS: And we will, then, read-  
13 vertise that. I'm not certain what date that would be.

14 Do you intend to put on additional test-  
15 imony today?

16 MR. EZZELL: No, sir.

17 MR. STAMETS: Okay, let's see.

18 MR. KELLAHIN: If the Examiner please,  
19 I'm Tom Kellahin, on behalf of H. L. Brown.

20 I have an observation about the addi-  
21 tional acreage. I believe in Section 11, if I heard correct-  
22 ly, that was proposed to include only 160 acres of that sec-  
23 tion, the --

24 MR. EZZELL: Right, the southeast  
25 quarter, which would be added to the northeast quarter, which

1  
2 is already in the South Peterson.

3 MR. KELLAHIN: Out of Section 11?

4 MR. EZZELL: Out of Section 11.

5 MR. KELLAHIN: If the Examiner please,  
6 we would, for purposes of the advertisement, propose the in-  
7 clusion of the southwest quarter of Section 11.

8 MR. STAMETS: And you are representing  
9 who, Mr. Kellahin?

10 MR. KELLAHIN: H. L. Brown.

11 MR. STAMETS: H. L. Brown.

12 MR. KELLAHIN: The purpose of that, Mr.  
13 Stamets, would allow the operator to orient a 320-acre pro-  
14 ration unit, either for the east half or for the south half  
15 of Section 11.

16 MR. STAMETS: So Mr. Brown would like  
17 the entire south half of Section 11 in the pool?

18 MR. KELLAHIN: At least advertised for  
19 that purpose, yes. We'll discuss it when the testimony comes  
20 up.

21 MR. STAMETS: Do you anticipate putting  
22 on any testimony when this case comes up again?

23 MR. EZZELL: I would think not.

24 MR. STAMETS: Okay, well, let me --  
25 I think we ought to put your witness back on the stand and

1  
2 and let me ask him a couple of questions.

3 MR. EZZELL: Okay. We don't have the  
4 same witness we had at the original -- at the original  
5 hearing, but we have one just as good.

6 MR. STAMETS: Okay. Let's put him on  
7 and qualify him and talk about this a little bit.  
8

9 (Witness sworn.)  
10

11 WILLARD R. GREEN

12 being called as a witness and being duly sworn upon his oath,  
13 testified as follows, to-wit:  
14

15 DIRECT EXAMINATION

16 BY MR. EZZELL:

17 Q Would you state your name and occupation?

18 A Willard R. Green. Exploration Manager  
19 for Energy Reserves Group, Inc., Midland, Texas.

20 Q And what is your profession?

21 A I've had degrees in geological engineering  
22 and petroleum engineering, and geology.

23 Q Have you testified before this Commis-  
24 sion before and had your qualifications as an expert witness  
25 accepted?

1

2

A Yes, I have.

3

4

MR. EZZELL: We would move that Mr. Green's qualifications be accepted.

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6

MR. STAMETS: Mr. Green is accepted as an expert witness.

7

8

CROSS EXAMINATION

9

BY MR. STAMETS:

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Mr. Green, at the last hearing certain geological evidence was presented and there were various interpretations of that geological evidence. Some of it did seem to show that at least a portion of the reservoir did extend from the South Peterson Pool into the area that Energy Reserves has requested for creation of a new gas pool. And at that time the Examiner did ask that additional information be looked at.

18

19

Is the basis of your amended application here today a further look at the evidence?

20

A

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22

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24

Yes, it is. We -- we shut in our three wells in the area, the Miller Com No. 1, the Crume No. 1, and the Bledsoe 2 No. 1, all producing from the Cisco formation, and ran shut-in bottom hole pressure tests, and I have the results of those tests, which I'd like to introduce.

25

Q

Okay, that would be fine.

1  
2 A The top page is a summary of the shut-  
3 in test information. They were shut in on -- all three wells  
4 were shut in on December 19, and then measurements were made  
5 at various intervals until, and including, December 31st.

6 The initial flowing pressure on the  
7 Miller No. 1 on the day before shut-in was 2208 psi; on the  
8 Crume No. 1, 2251; and on the Bledsoe No. 2, which has been  
9 producing several months longer, was 1254.

10 The, of course, pressures increased  
11 with time and on the last day, on December 31st, shut-in  
12 pressures were 2308 for Miller No. 1; 2325 for Crume No. 1;  
13 and Bledsoe No. 2, 2013.

14 That pressure was still building and  
15 the next exhibit in the package shows an extrapolated curve  
16 of the Bledsoe No. 2, and it extrapolates out to approxi-  
17 mately 2350 psi.

18 The other two pressures were essentially  
19 built up on the other two wells, so the conclusion is that  
20 the shut-in stabilized pressures are very, very close to  
21 each other in the three wells.

22 Our testimony the morning before was  
23 based on geologic correlations, which we represented on a  
24 cross section, that showed that the producing zones in the  
25 Crume and the Miller Com correlated with the different zone

1  
2 from the main producing unit in the Bledsoe No. 2, and at  
3 that time, of course, we did not have the pressure information.

4 The pressure information strongly sug-  
5 gests that there is some vertical communication between these  
6 separate geologic zones, and that effective seals between them  
7 do not exist.

8 We also made gas analyses of all of  
9 these wells and secured analyses for other wells in the area,  
10 and the large page summarizes all of that information. It  
11 shows some variation from well to well, but essentially it --  
12 it shows that they're all compatible.

13 One thing of particular interest on our  
14 Crume No. 1 we have three analyses, one taken on September  
15 29; one on November 16; and one on December 18th, and the  
16 percentage of nitrogen in that particular -- or in those  
17 samples varies considerably from 3.8 percent to 9.7 to 16.9  
18 percent.

19 My conclusion from that is that the  
20 composition of these gases will vary from day to day and  
21 that sampling data is not conclusive in determining whether  
22 reservoirs are separate or not in this area, and we present  
23 this just -- the data as it is and say that it doesn't --  
24 doesn't really prove anything.

25 There's also a copy of analysis on each

1 well in this package that is summarized on the chart.

2 Q You would conclude, then, from your  
3 analysis of this additional data that this is essentially  
4 one pool?  
5

6 A Yes, sir.

7 Q I believe that with the exception of the  
8 40-acre spacing on the oil wells, that this is the same rules  
9 that exist for the Peterson Pennsylvanian Pool, which lies  
10 immediately to the north, is that correct?

11 A I believe that's correct.

12 MR. STAMETS: Are there any other ques-  
13 tions of this witness?

14 MR. KELLAHIN: Yes, Mr. Stamets.

15 CROSS EXAMINATION

16 BY MR. KELLAHIN:

17 Q Mr. Green, is it?

18 A Yes, sir.

19 Q I've discovered my copy of the plat.  
20 Would you assist me, sir, in defining what areas you have  
21 proposed to include in the new pool so that I might indicate  
22 them on my copy?  
23

24 A I'd like to yield to counsel for this.

25 In 5 South, 33 East, the northwest quarter of Section 30.



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Q That will probably be off here.

A It may be not on your map.

Q It's not on my map.

A Okay, in 6 South, 33 East, the southeast quarter of Section 11.

MR. EZZELL: And we have no objection to including the southwest.

A The south half of Section 12. The north half of Section 13.

Q You made reference to the Bledsoe No. 2 Well, which I believe is in the north half of Section 11?

A Correct.

Q Is that a well that you anticipate being in this new reservoir?

A I believe it already is.

Q It already is?

A It already is in the South Peterson.

Q South Peterson. The South Peterson is the pool that you're attempting to create as a new Cisco Pool? I'm confused by what you've just told me.

A We are changing it from oil to associated and expanding the limits of it.

Q All right, so -- so the Bledsoe No. 2 Well in Section 11 would be one of the three wells, then, that

1  
2 are currently capable of producing from this new Cisco Pool?

3 A I wouldn't say exactly that. They are  
4 in fact producing and they would be part of the expanded  
5 existing pool and redesignated pool.

6 Q There was some testimony at the hearing  
7 on December 16th about separating this pool from the pools  
8 to the north.

9 Would you assist me in determining where  
10 that boundary now is or how you propose to have it drawn?

11 A There is none.

12 MR. STAMETS: I don't know, you may have  
13 misunderstood each other on that. I think Mr. Kellahin is  
14 referring to the separation between the Peterson Pennsyl-  
15 vanian Pool to the north and the South Peterson Pennsylvanian  
16 Pool.

17 A Oh, okay. Well, the South Peterson  
18 Pennsylvanian Pool would go up to the -- the north limit  
19 would be along the north line of Section 30, 5 South, 33,  
20 here's a map.

21 Q Okay, thank you.

22 Thank you, Mr. Green, I think I finally  
23 understand. Let me ask you one further question.

24 What is the proration unit for the  
25 Bledsoe No. 2 Well in the South Peterson Pool?

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A At the current time it's 40 acres around the location.

Q Is the Bledsoe No. 2 to be classified as an oil well?

A It is an oil well.

MR. KELLAHIN: Thank you. I have nothing further.

MR. STAMETS: Any other questions of the witness?

Mr. Ezzell, I would appreciate it if you would mark this as -- as your final exhibits. I'm not certain what number that would be.

MR. EZZELL: I'm not either, I guess it would be B. This is A.

MR. STAMETS: I think you're right.

If you would mark that Exhibit B. The witness may be excused and Exhibit B will be admitted into evidence.

MR. EZZELL: And we would also like -- we would wish the order to be effective as of December 1 of 1981.

MR. STAMETS: That should be in your application, as well, or your advised application.

All right, this case will be readvertised, then, to reflect the changes discussed here today,

1  
2 and at the time that it is recalled we will be incorporating  
3 the record of the earlier hearings in this matter.

4 And we will take a very short recess to  
5 trade examiners.

6  
7 (Hearing concluded.)  
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C E R T I F I C A T E

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

Sally W. Boyd CSR

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the above hearing of Case No. 7448,  
heard by me on 1-6 1982.  
Richard L. Hunt Examiner  
Oil Conservation Division

SALLY W. BOYD, C.S.R.

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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
16 December 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Energy Reserve Group,  
Inc., for creation of a new gas pool      CASE  
in an unorthodox location, Roosevelt      7448  
County, New Mexico.

BEFORE:

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation	W. Perry Pearce, Esq.
Division:	Legal Counsel to the Division
	State Land Office Bldg.
	Santa Fe, New Mexico 87501

For the Applicant:	Calder Ezzell, Esq.
	HINKLE LAW FIRM
	Roswell, New Mexico

1

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2

A P P E A R A N C E S

3

4

For H. L. Brown:

W. Thomas Kellahin, Esq.

5

KELLAHIN & KELLAHIN

6

500 Don Gaspar

7

Santa Fe, New Mexico 87501

8

I N D E X

9

The Witness- RICHARD NEFF

10

Direct Examination by Mr. Ezzell

11

Applicants Exhibit 1 marked

12

Examination by Hearing Officer

13

Cross-Examination by Mr. Pearce

14

Cross-Examination by Mr. Kellahin

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The Witness - PAUL KAUTZ

16

Direct Examination by Mr. Pearce

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OCD Exhibit 1 and 2 marked

18

Cross-Examination by Mr. Ezzell

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Cross-Examination by Mr. Kellahin

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1  
2 HEARING OFFICER: I will call next case,  
3 7448 being application of Energy Reserve Group Inc. for  
4 creation of a new gas pool in an unorthodox location, Roose-  
5 velt County, New Mexico.

6 And before we get appearances in this  
7 case, I would like to note that because of this case not  
8 being advertised, through error, in the Santa Fe newspapers,  
9 it is being readvertised for the January 6th hearing. We  
10 will go ahead today and take testimony in this case, call  
11 it again on the 6th and then proceed with some sort of an  
12 order after that date.

13 We call for appearances in this case.

14 MR. EZZELL: Mr. Examiner, my name is  
15 Calder Ezzell of the Hinkle Law Firm in Roswell, representing  
16 Entry Reserve Group.

17 MR. PEARCE: Mr. Hearing Examiner, my  
18 name is W. Perry Pearce, appearing on behalf of New Mexico  
19 Oil Conservation Division, and I have one witness who needs  
20 to be sworn.

21 HEARING OFFICER: Any other appearances?

22 MR. KELLAHIN: I am Tom Kellahin of  
23 Santa Fe, New Mexico, appearing on behalf of H. L. Brown.

24 HEARING OFFICER: Any witnesses?

25 MR. KELLAHIN: No.



1  
2 HEARING OFFICER: I would like to have  
3 all witnesses stand to be sworn at this time, please.

4 (WHEREUPON, the witnesses were  
5 sworn upon their oaths.)

6 HEARING OFFICER: Mr. Ezzell, you may  
7 proceed.

8 MR. EZZELL: Before proceeding, I  
9 would like to point out that evidently through a typographical  
10 error the docket indicates this is also for an unorthodox  
11 location, which was covered in another hearing, and there  
12 is the Commission's order granting that unorthodox location.

13 HEARING OFFICER: Okay.

14 MR. EZZELL: I think that it just got --  
15 these have been on and off of the docket so much, they  
16 commingled.

17 HEARING OFFICER: All right, we will  
18 amend the application, or we will just simply dismiss that  
19 portion of the application dealing with unorthodox location,  
20 okay.

21  
22 RICHARD NEFF

23 the witness herein, after having been duly sworn upon his  
24 oath, was examined and testified as follows:  
25

## DIRECT EXAMINATION

BY MR. EZZELL:

Q Would you state your name, please?

A Richard Neff.

Q Mr. Neff, what is your occupation?

A I am a petroleum consulting geologist.

Q Have you testified before this Commission before?

A I have.

Q Have your qualifications as an expert geologist been accepted by this Commission?

A That is correct.

MR. EZZELL: We would move at this time that Mr. Neff's qualifications be accepted as an expert geologist.

HEARING OFFICER: He is accepted. What is your residence, Mr. Neff?

A My office is in Midland, Texas.

HEARING OFFICER: Okay, that's fine.  
Thank you.

Q (Mr. Ezzell continuing.) What is your relationship with Energy Reserve Group, with respect to these wells in 6 south 33 east in Roosevelt County?

1  
2 A I have a consultant for Energy Reserve  
3 Group in many aspects of this, the development work in this  
4 pool in Roosevelt County since 1978.

5 Q Were you involved in this area prior to  
6 your employment as a consultant for Energy Reserve?

7 A Yes, I was.

8 Q What was the nature of that involvement?

9 A In acreage acquisitions in the area, and  
10 basic geological work in Peterson and Tan Hill areas.

11 Q Okay, as you know, the application seeks  
12 the creation of a new pool for two wells, the Miller and  
13 Krume in Sections 12 and 13 of 6 south, 33 east, do you  
14 have any evidence to establish that these wells are producing  
15 from a separate source of supply from other wells in the  
16 area?

17 A Yes, sir, I would like to present one  
18 exhibit with the geological evidence that will show separate  
19 pool.

20 Q Was this exhibit prepared by you or at  
21 your direction?

22 A It was prepared by me, that is correct.

23 Q Do you have more than one copy?

24 A I gave one to the Oil Commission, I  
25 have got one to talk from and one for the Commissioner.

1  
2 MR. EZZELL: We would like to offer at  
3 this time, Applicant's only Exhibit Number 1.

4 A. This is a generally north-south trending  
5 cross section that I prepared, hung on sea level for instruc-  
6 tional datum, minus 3,400 feet. The logs are vertically  
7 scaled at one inch equals fifty feet. There is no horizontal  
8 scale, the wells are fairly closely spaced. I have drawn  
9 into the line of the section.

10 It is my opinion that in correlating  
11 the Pennsylvanian limestone and the Peterson and Tan Hill,  
12 general area, that there is distinct separate zonation in an  
13 upper and a lower Pen-Cisco zone. I colored them on the  
14 cross section.

15 The upper Pennsylvanian is a more of a  
16 dark blue tint while the lower Cisco is a blue-green tint, and  
17 appears to be a wedge moving up to the area of the Miller  
18 and Crume wells, which are the two wells on the right side  
19 of your cross section, structurally highest, from the  
20 Bledso wells, the Energy Reserve Group Bledso wells, which  
21 are second from the left, and the Phillips 1(B) Lamburg,  
22 which is the furthest north on the left of your cross-section.

23 To repeat, the Bledso Number 2, second  
24 well from the left of your cross section was completed in  
25 south Peterson 10 Field. The main pay and the Besco, by far

1  
2 is colored -- I should repeat, to the right side of the  
3 depth tract in all of these wells is colored in black indi-  
4 cation of the poor infirmable reservoir rock. The left side  
5 of the depth tract, the perforations are indicated.

6 All right, the main Peterson pay zone  
7 is in the Bledso Number 2 well from 7670 to 7680. It is a  
8 highly porous, continuous zone over that area, and by cor-  
9 relation it can be carried to the Bledso Number 1, which is  
10 actually completed as a granite oil well below the Cisco,  
11 and the Energy Reserve Group's Miller A Number 1 which the  
12 casing collapsed and the hole was closed prior to completion.

13 As you move further updeath and to the  
14 right, you encounter Miller Number 1 and the Crume Number 1,  
15 which are extremely high deliverability dry gas wells with  
16 excellent calculated and deliverability potentials. The zone  
17 in the Miller and the Crume geologically appears to be quite  
18 distinct again called by us, upper Pen-Cisco, when comparing  
19 to the structurally down dip, stratigraphically down dip,  
20 south Peterson well. These zones are generally, from looking  
21 at one core in the area, I have determined that these zones  
22 are generally also limestone deposits where porosity comes  
23 from leeching of various fossils in that particular section  
24 and very very flat line beds, shortly after they were de-  
25 posited.

1  
2 Immediately after the deposition of  
3 these flat line beds, porous infirmiable, either shales or  
4 imperiable limestones were deposited which separate the various  
5 Pen-Cisco zones, and I feel like in asking for the separate  
6 pool designations that we have that case between the Miller  
7 and Crume, which have distinct different character reservoir  
8 actions, and distinctly different character geologically from  
9 the South Peterson wells to the north.

10 Q What are the differences in the pro-  
11 duction from the two wells that you feel are a separate source  
12 of supply, compared to the other wells for which you have  
13 controls there.

14 A The Miller and Crume well both have  
15 extremely high deliverability, high potential calculations,  
16 whereas --

17 Q What are those potentials?

18 A Potential on Energy Reserve Group Num-  
19 ber 1 Crume is 27 million cubic feet of gas per day.

20 On Energy Reserve Group's Miller 1(Y),  
21 correct name for the Miller, 12.7 million cubic feet of gas  
22 per day.

23 Q How does that compare to other wells in  
24 the area?

25 A The wells currently, the five wells

1  
2 currently in south Peterson pool are averaging, by the August  
3 schedule, fifteen barrels a day of oil.

4 The Tannie Hill Cisco Hill to the south-  
5 west of the Miller and Crume, approximately 8 million cubic  
6 feet of gas for the month of August.

7 The Tannie Hill, Cisco Field and the  
8 South Peterson Pen Field seem to be fairly well depleted at  
9 this point, whereas we have essentially virgin pressures in  
10 the Miller and Crume.

11 Q In your experience, and to your specific  
12 knowledge, did any of the wells in the Tannie Hill or South  
13 Peterson Fields, did they have initial production rates or  
14 potential that can compare at all with the potentials of  
15 the Miller and the Crume?

16 A The one well in Tan Hill potential  
17 3.2 million, and went on fairly rapid depletion. The wells  
18 in Peterson Field were -- south Peterson Field, were oil  
19 wells and I don't recall the potentials, but no spectacular  
20 potential that I can recall.

21 Q So in addition to the geological evi-  
22 dence that you have presented, from an engineering stand-  
23 point, just the production rates would indicate to you  
24 that this is a separate source of supply?

25 A That is correct.

1  
2 Q You have delineated these two zones as  
3 the upper and the lower. In your well controls on the other  
4 wells in the area, is this zone that you have denominated the  
5 upper Cisco, is it present at all?

6 A Not as to the specific high per area  
7 thick pay zone that is in the Miller Number 1 and Crume Num-  
8 ber 1.

9 Q But the section is there?

10 A The section is there, and as a core  
11 demonstrated in the Bledso 2, the zone was present in the  
12 six inch zone in the core, and went ahead and perforated,  
13 although it was doubtful that it contributed anything signi-  
14 ficant, and it appeared that way in several of the -- not  
15 all of the other wells but several of them have thin zone,  
16 not directly correlatable, but in the gross upper unit.

17 Q The upper Cisco zone, as you have called  
18 it, does exist and can be correlated through all of these  
19 wells?

20 A That is correct.

21 Q And it is only productive in the Miller  
22 and the Crume?

23 A In the main correlatable high permeabi-  
24 lity, high porosity zone, that is correct.

25 Q Down to the lower Cisco zone as you call



1  
2 Q You have delineated these two zones as  
3 the upper and the lower. In your well controls on the other  
4 wells in the area, is this zone that you have denominated the  
5 upper Cisco, is it present at all?

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19 wells?

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22 and the Crume?

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24 lity, high porosity zone, that is correct.

25 Q Down to the lower Cisco zone as you call

Q You have delineated these two zones as the upper and the lower. In your well controls on the other wells in the area, is this zone that you have denominated the upper Cisco, is it present at all?

A Not as to the specific high per area thick pay zone that is in the Miller Number 1 and Crume Number 1.

Q But the section is there?

A The section is there, and as a core demonstrated in the Bledso 2, the zone was present in the six inch zone in the core, and went ahead and perforated, although it was doubtful that it contributed anything significant, and it appeared that way in several of the -- not all of the other wells but several of them have thin zone, not directly correlatable, but in the gross upper unit.

Q The upper Cisco zone, as you have called it, does exist and can be correlated through all of these wells?

A That is correct.

Q And it is only productive in the Miller and the Crume?

A In the main correlatable high permeability, high porosity zone, that is correct.

Q Down to the lower Cisco zone as you call

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Q You have delineated these two zones as the upper and the lower. In your well controls on the other wells in the area, is this zone that you have denominated the upper Cisco, is it present at all?

A Not as to the specific high per area thick pay zone that is in the Miller Number 1 and Crume Number 1.

Q But the section is there?

A The section is there, and as a core demonstrated in the Bledso 2, the zone was present in the six inch zone in the core, and went ahead and perforated, although it was doubtful that it contributed anything significant, and it appeared that way in several of the -- not all of the other wells but several of them have thin zone, not directly correlatable, but in the gross upper unit.

Q The upper Cisco zone, as you have called it, does exist and can be correlated through all of these wells?

A That is correct.

Q And it is only productive in the Miller and the Crume?

A In the main correlatable high permeability, high porosity zone, that is correct.

Q Down to the lower Cisco zone as you call

1  
2 it, is it present at all in the two wells that you seek to  
3 have placed in a separate pool, the Crume and Miller?

4 A It is absent by nondeposition in the  
5 Miller and Crume wells.

6 Q So there is nothing on the logs of the  
7 Miller and the Crume that will correlate to this lower Cisco  
8 zone which is the productive zone, and which is present in  
9 all of the other wells that you have -- for which you have  
10 controls?

11 A That is correct.

12 Q In your opinion, will the granting of  
13 this application for a separate pool for these two wells  
14 prevent waste and be in the -- avoid the drilling of unneces-  
15 sary wells, and protect the correlative rights of the parties  
16 involved?

17 A That is correct.

18 MR. EZZELL: I have no further questions  
19 at this time.

20  
21 EXAMINATION

22 BY HEARING OFFICER:

23 Q Mr. Neff, you have mentioned pressure.  
24 do you have any pressure data with you today that you can  
25 present relative to the oil zones and these new gas zones,

1  
2 other wells in the area?

3 A All I have today with me, sir, is the --  
4 I have the calculated absolute open potentials, and all test  
5 runs on the Miller and Crume wells. I have no other evidence  
6 at this time.

7 Q Okay. Do you have any -- do the Miller  
8 and Crume wells make any liquids?

9 A One has a 70,000 G.O., and the other has  
10 46,000 G.O., there is a minor amount of liquids, that is  
11 correct.

12 Q Have you made any analysis or observa-  
13 tions of these liquids compared with liquids in the oil  
14 pools to the north?

15 A I haven't done that.

16 Q How about the gas, any gas analysis to  
17 see if the gas is different or identical?

18 A No, sir, I only have the gas analysis  
19 on the two subject wells.

20 Q I am not certain where we are going  
21 to wind up today after we hear the other side of this case.  
22 It may be that we will have to reopen this case on the sixth  
23 for some additional information, but let that decision go  
24 until later.

25 In looking at the zone, which I believe

1  
2 you indicated is the productive zone in the lower Cisco, and  
3 that would be for example in the Miller A well?

4 A Yes, sir.

5 Q It is just immediately below what you have  
6 identified as the top of the lower Cisco, that is distin-  
7 guished by a little bit of porosity shown on the right hand  
8 side of the log, is that correct?

9 A Yes, sir.

10 Q Now, if I move toward a prime on the  
11 exhibit, it appears to me that there is again a porosity zone  
12 immediately above what has been identified as the granite  
13 watch. Is it possible that the top of the lower Cisco should  
14 be at the top of that porosity zone there, as opposed to  
15 petering out between the two wells?

16 A I can see your obvious correlation. I  
17 believe the nature of these rocks, as they were deposited  
18 in a flat lying state, that the correlation would have to  
19 be layer cake here rather than say the Miller A be corre-  
20 lated back to the porous zone in the Bledso 1 to the left of  
21 the Miller A immediately, and the absence by nondeposition  
22 in the Miller 1.

23 I do see your correlation, but I believe  
24 the nature of this particular deems that you should go with  
25 the flat line correlation from top coming from the three

brothers, Wolfgang marker at the top to the Bough A and then upper Cisco and lower Cisco.

Q I believe you recognize the porosity zone I'm looking at --

A Yes, sir.

Q That apparently crosses the entire cross section?

A I see your correlation, sir. I have a couple of extra logs which are copies of these from this cross section if you wish to do some hand correlating up there to see what I am talking about, coming from the top down, which is -- you are coming from the bottom up, more or less.

Q Yes, that's true. The alternative to layer cake would be to provide for some thinning across the crest of whatever this may be here. It would appear as though we do see some thickening of the formation as we move from right to left, going from the Bledso 1 to the Bledso 2, but it appears as though there is some thickening of the lower Cisco zone above the porosity stream.

A Yes, that is correct.

Q And so it would appear that this area is not without some thickening and thinning of the zone between wells, is that correct?

A Yes, sir, appears on the bottom.

1  
2 HEARING OFFICER: Are there other ques-  
3 tions of Mr. Neff at this time?

4 MR. PEARCE: Yes, Mr. Examiner, if I  
5 may.

6  
7 CROSS EXAMINATION

8 BY MR. PEARCE:

9 Q Mr. Neff, would you clarify for the re-  
10 cord, other perforations found on your cross section into  
11 what you have denominated the upper Pen-Cisco?

12 A You want to go across the section from  
13 right to left?

14 Q If you would, please.

15 A There is a thin zone in the Crume Number  
16 1, which is approximately a foot, maybe a foot and a half  
17 thick, and at 7541, say 43, the perforation interval, a sim-  
18 ilar zone that has been perforated. It is fairly low poro-  
19 city, but it indicated from log analysis to be highly carbon  
20 bearing, so it is perforated.

21 A similar zone which may or may not  
22 correlate exactly with that in the Miller Number 1 found a  
23 7546 to 48 or thereabouts, and it has been perforated. A  
24 shale facing was accounted in the Miller A Number 1, imper-  
25 meable, Bledso Number 1, this interval wasnot perforated, but



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17

2

two type thin bed zones were found in that interval, one at 7591 and 19 to 93, and 7610 to 12 still in the upper Cisco.

3

4

Perforations in the Bledso Number 2 from

5

76, about 42 to 44, there is a thin bed zone, which is likely

6

hydrocarbon bearing, and in Phillips 1(B0 Lymbrith, there

7

are numerous scattered zone four, four in the upper Cisco.

8

And one perforated in the lower Cisco, and we were just looking

9

at upper Cisco. Those thin beds, I have no idea what the

10

lateral continuity of them is, but I expect it is not much.

11

Q Do you have some indication, other than

12

what you just referred to, as you imagine there not being

13

some disruption between, for instance, in the Lambyith B-1

14

and the subject wells. Is there some impercable barrier in

15

that upper Pen-Cisco?

16

A I would suspect that there is. I would

17

probably have a hard time proving it.

18

See, one of the little zones appears

19

to correlate quite nicely and carries from the Phillips 1-B

20

up to the Bledso Number 2, but generally, through July, the

21

correlation does not look like it carries through, and there

22

probably is a permcability of some significance there.

23

MR. PEARCE: Nothing further at this

24

time, Mr. Examiner.

25

HEARING OFFICER: Anything further?

1  
2 MR. KELLAHIN: Mr. Stamets, I have a  
3 couple of questions.

4 HEARING OFFICER: Go ahead.  
5

6 CROSS EXAMINATION

7 BY MR. KELLAHIN:

8 Q Mr. Neff, the two proration units that  
9 you propose to include in the new Cisco pool, south half of  
10 12 and the north half of 13?

11 A That is correct.

12 Q Could you tell me something about the  
13 well in 14, in the north half, is that also producing from  
14 this new Cisco pool?

15 A All the maps that I have show the well  
16 to have been abandoned. However, I have not been able to  
17 confirm it, but I understand it did produce some gas from  
18 the lower Cisco on a test, although the log shows absolutely  
19 no net pay on it at all. It was completed as a granite wash  
20 gas well sometime back and did produce gas.

21 Q There is a well symbol in the south half  
22 of Section 11, what is that?

23 A This is the Miller A Number 1, Energy  
24 Reserve Group, casing collapsed prior to completion of this  
25 well on the section.

1 Q So you haven't tested the Cisco?

2 A No, just getting ready to try and test  
3 it when the casing collapsed.

4 Q Do you have an opinion as to the hori-  
5 zontal extent of the proposed Cisco pool?

6 A I think it could have considerable de-  
7 velopment to the east and to the south. As far as the number  
8 of wells in the actual area will extend, I can't say at this  
9 time.  
10

11 There is a dry hole in Section 8 to the  
12 east, and a dry hole in the southwest Section 13, and I see  
13 nothing else out there limiting the extent of this pool.

14 Q At what point, in your opinion, does  
15 the proposed new pool separate itself from those pools existing  
16 to the north?

17 A In my opinion, it is possible to draw a  
18 straight line in a northeast-southwest direction separating  
19 the Tannie Hill and South Peterson pool from our proposed new  
20 pool by laying a ruler in a northeast, southwest direction  
21 there.

22 Q Across what section, Mr. Neff? I have  
23 trouble following you.

24 A From the center of Section 1 of 633 down  
25 to the center of the south line of Section 14 on that appro-

1  
2 ximate line. I believe the wells to the northwest are in  
3 separate pools.

4 Q At some point between, on the cross  
5 section wells, at some point between the second well starting  
6 north from A, there is a red dot from the well on the south  
7 half of 12. Are you with me?

8 A Yes, sir.

9 Q At some point between that well, and  
10 then the green well circled in the northeast quarter of Section  
11 11, that line is going to cut across those two wells some-  
12 where.

13 A That is correct.

14 MR. KELLAHIN: Thank you.

15 HEARING OFFICER: Any other questions of  
16 this witness? He may be excused for the time being.

17 Mr. Pearce, you may proceed.

18  
19 PAUL KAUTZ

20 the witness herein, after having been first duly sworn upon  
21 his oath, was examined and testified as follows:

22  
23 DIRECT EXAMINATION

24 BY MR. PEARCE:

25 Q Mr. Kautz, have you previously testified

1 before the Oil Conservation Division?

2 A. No, I haven't.

3 Q. Would you give a brief summary for the  
4 Examiner of your educational background and work experience?

5 A. I received a Bachelor of Science Degree  
6 in 1974 from the University of New Mexico. I have completed  
7 three years of work towards my Master's Degree at UNM, and  
8 I have worked six months for New Mexico Oil Conservation  
9 Division.

10 Q. In your responsibilities with the  
11 Division 1 Office of the Oil Conservation Division, have you  
12 acquainted yourself with the matters before the Examiner  
13 in this case?

14 A. Yes, I have.

15 Q. And have you reviewed the Exhibits  
16 submitted by Mr. Neff previous to your taking the witness  
17 stand?

18 A. Yes, I have.

19 MR. PEARCE: Mr. Examiner, are the wit-  
20 ness's qualifications acceptable?

21 HEARING OFFICER: They are.

22 Q. (Mr. Pearce continuing) Mr. Kautz,  
23 have you prepared certain exhibits in relation to this matter?

24 A. Yes, I have, I have prepared two ex-  
25

hibits; one a structural contour map.

Q Mr. Kautz, would you please review for the examiner what has been marked as OCD Exhibit 1 to this matter?

(WHEREUPON, OCD Exhibit 1 was marked for identification.)

A Exhibit Number 1 is a structural contour map on top of the Pen, contour intervals are 20 feet, and also marked on this exhibit are the present wells producing from the Pen, Fossman and granite wash.

Also marked on it are the present day existing oil pools and gas pools in the area that are producing from the Pen.

I also have marked on here the line of cross section I made for Exhibit Number 2, which extends from Section 14, Well Number -- I haven't marked it, ten; northward to Section 2 in Range 33, Township 33 south.

Q Mr. Kautz, have you compared your structure map with that shown as part of I believe Exhibit Number 1 to Mr. Neff's testimony?

A. Yes, I have.

Q Could you describe for the record the differences in those two structural maps and why you believe those differences might be evident?

1  
2 A Okay, the differences that I have marked  
3 the top of the Pen and the Cisco C. Okay, the Cisco C cor-  
4 responds to the top of the lower Cisco, top of the lower Cisco  
5 and the Energy Reserves, Bledso Number 2 well. However, when  
6 we move north, my pick for the top of the Cisco C corresponds  
7 to the permeable zone and where this top of the lower Cisco  
8 pinches out.

9 Q Referring back to your Exhibit 1 for a  
10 moment, on the cross section introduced by Mr. Neff, there  
11 is in the bottom center a structure top of the Cisco contour  
12 interval of 100 feet. It appears from my looking at that  
13 structure top of the Cisco, that he shows the Cisco as being  
14 closed, whereas your structure on top of the Pen shows an  
15 opening through the southwest?

16 A Yes.

17 Q Do you have an opinion as to whether  
18 or not you agree with the structure on top of the Cisco shown  
19 on Applicant's Exhibit Number 1?

20 A Could you ask that question again,  
21 please.

22 Q He has a structure on top of the Cisco,  
23 you have contours on top of Penn at 20 foot intervals?

24 A right.

25 Q There appears to be a difference in

1  
2 those two geological structures with your Pen showing contin-  
3 uing to the southwest portion on your Exhibit 1?

4 A. I believe that our contour maps are  
5 basically the same. Mine I did from well logs that we have on  
6 file down at Hobbs, and his is based on size mix from what  
7 I understand, and contours I would say at the 3,200 foot  
8 contours are basically the same as what I have.

9 Q. Mr. Kautz, would you summarize for the  
10 Examiner at this time the purpose of the Oil Conservation  
11 Division appearing in this matter?

12 A. We wish to protest the creation of a  
13 new gas pool, and due to the presence of both oil and gas  
14 producing from the same interval, and we would be in favor  
15 of the creation of an associated pool.

16 Q. And you believe that the support for  
17 your objection in this matter is demonstrated by your Exhibits  
18 1 and 2?

19 A. Yes.

20 Q. Do you have an alternative to this  
21 suggestion to recommend to the Commission?

22 A. Not at this time.

23 Q. Do you have anything further to add at  
24 this time, Mr. Kautz?

25 A. No.



1  
2 MR. PEARCE: That is all I have at this  
3 time, Mr. Examiner.

4 Q Are there questions of this witness?

5 MR. EZZELL: Yes, Mr. Examiner.

6 HEARING OFFICER: Mr. Ezzell.

7  
8 CROSS EXAMINATION

9 BY MR. EZZELL:

10 Q Just to clarify for the record, Mr.  
11 Kautz, you have stated that both the contour map on Appli-  
12 cant's Exhibit 1, prepared by Mr. Neff, and the one on the  
13 Division's Exhibit 1 prepared by you are basically in agree-  
14 ment?

15 A Yes, for the structure.

16 Q As to the structure, yes. So the dis-  
17 parity in the opinion comes as to the existence of what Mr.  
18 Neff's exhibit terms as the lower Cisco as it appears or does  
19 not appear in the two subject wells?

20 A Yes, sir.

21 Q So the disagreement is that where the  
22 applicant's exhibit shows a pinch out of that zone, you have  
23 it continuing?

24 A That's right.

25 Q Do you have it continuing in both wells,

1  
2 in both the Miller Well in Section 12 and the Crume Well in  
3 Section 13, your number six and seven respectively?

4 A. I am not sure about the Crume well.

5 Q I know it is not represented on your  
6 Exhibit 2?

7 A. No.

8 Q For what reason is it not there?

9 A. I wish to show -- on my cross-section  
10 I wish to show the continuity between the wells in the  
11 Tannie Hill, Pen Gas, at least one of the wells in the new  
12 proposed field, and the South Peterson, Pen Pool.

13 Q Okay, so the wells that you have stated  
14 as being in the Tennie Hill, Pen, are those number nine and  
15 ten respectively?

16 A. That is number 10.

17 Q Just ten?

18 A. Yes.

19 Q And from your Exhibit Number 2, do you  
20 have it? What are your black blocks on your exhibit?

21 A. The black blocks, I show the zones of  
22 perforation.

23 Q The zones of perforation?

24 A. Yes.

25 Q What is your delineation between Pen

1  
2 and Cisco C?

3 A Excuse me.

4 Q You have a lot of delineation.

5 A That is the top of the Cisco C.

6 Q What is the difference between the Cisco  
7 C and the Pen? This top line represents the top of the Pen?

8 A Yes.

9 Q What is the difference?

10 A The difference is you have the Cisco A  
11 and B and Cisco C.

12 HEARING OFFICER: Mr. Ezzell, I think to  
13 answer your question, I think that I am answering it, I  
14 believe the witness testified that his Cisco C is the same  
15 as the top of your witness's lower Cisco except

16 MR. EZZELL: As to its extent.

17 HEARING OFFICER: -- in the area under  
18 consideration here today where his top went to the top of the  
19 porosity zone as in say the Miller Number 1?

20 A Right, the junk well.

21 Q No, the Miller 1 in Section 12.

22 Q So with your delineation between the  
23 Pen and the Cisco C, you are in basic agreement with the  
24 applicant's Exhibit of the difference between what he has  
25 called the lower Cisco and the upper Cisco, and the only

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difference between, in your opinion and his opinion, is the extent of that lower Cisco?

A. Yes.

MR. EZZELL: Thank you, I have no further questions.

HEARING OFFICER: Mr. Kellahin.

CROSS EXAMINATION

BY MR. KELLAHIN:

Q Mr. Kautz, perhaps I didn't understand you correctly, but is it your opinion that the proposed area that the applicant suggests as a new gas pool is in fact not a separate source of supply from those pools to the north?

A. I believe that they produce from the same interval within the Pen.

Q Mr. Neff testified that there was a substantial difference in the production -- productive characteristics of the two different areas, wells to the south produced large volumes of gas in comparison to those areas to the north. Have you made any study of the productive characteristics of these wells?

A. No, I haven't.

Q Have you made any comparison of the

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gas produced from each of those areas?

A. No, I haven't.

Q. Would those matters be important for your consideration to determine whether or not this is in fact a separate source of supply?

A. I am not that familiar with it, but they probably would.

MR. KELLAHIN: Nothing further, thank you.

HEARING OFFICER: Any other questions of this witness? He may be excused.

Have you offered your exhibits?

MR. PEARCE: No, sir, I would move the admission of OCD Exhibits 1 and 2 in this matter.

HEARING OFFICER: These exhibits will be admitted.

Let's go off the record.

(WHEREUPON, discussion was held off the record.)

HEARING OFFICER: Go back on the record.

Mr. Ezzell, I am going to ask that your witness, the applicant, prepare some additional data in

1  
2 this case, specifically enough pressure data, or as much  
3 pressure data as he is able to determine for the wells in this  
4 area, and a liquid analysis and gas analysis that he may be  
5 able to come up with which may assist us in making a proper  
6 decision in this case.

7 Is there anything further in this case  
8 today?

9 Being nothing, the case will be con-  
10 tinued to January 6th Examiner hearing.

11 Anything further in this whole thing  
12 today?

13 There being nothing further, the hearing  
14 is adjourned.

15  
16 (WHEREUPON, the proceedings  
17 stood in recess at 10:38 a.m.)  
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3 THIS IS A VERBATIM COPY OF MR. ALEX PADILLA'S  
4 TRANSCRIPT SUBMITTED HEREWITH.

5  
6 SWB  
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13

14 I do hereby certify that the foregoing is  
15 a complete record of the proceedings in  
16 the Examiner hearing of Case No. 7448,  
17 heard by me on 12-76 19-81.  
18 Richard P. Stam Examiner  
19 Oil Conservation Division  
20  
21  
22  
23  
24  
25



BRUCE KING  
GOVERNOR

LARRY KEHOE  
SECRETARY

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

February 19, 1982

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Mr. Calder Ezzell  
Hinkle, Cox, Eaton, Coffield  
& Hensley  
Attorneys at Law  
Post Office Box 10  
Roswell, New Mexico 88201

Re: CASE NO. 7448  
ORDER NO. R-5353-1

Applicant:

Energy Reserves Group, Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced  
Division order recently entered in the subject case.

Yours very truly,

  
JOE D. RAMEY  
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD       x        
Artesia OCD       x        
Aztec OCD           

Other Tom Kellahin



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7448  
Order No. R-5353-I

APPLICATION OF ENERGY RESERVES  
GROUP, INC. FOR CREATION OF A NEW  
ASSOCIATED POOL AND SPECIAL POOL  
RULES, ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 3, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of February, 1982, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Energy Reserves Group, Inc., seeks the creation of a new associated pool to be designated the South Peterson-Pennsylvanian Associated Pool, comprising the NW/4 of Section 30, Township 5 South, Range 33 East, the S/2 of Section 11, the S/2 of Section 12, and the N/2 of Section 13, Township 6 South, Range 33 East.

(3) That the applicant further seeks the establishment of special pool rules for said South Peterson-Pennsylvanian Associated Pool including 40-acre spacing units for oil wells and 320-acre spacing units for gas wells and a 4000 to one gas-oil ratio limitation.

(4) That the proposed pool creation is in fact a reclassification of the existing South Peterson-Pennsylvanian (oil) Pool as an associated pool.

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Case No. 7448

Order No. R-5353-I

(5) That the evidence presently available indicates that said South Peterson-Pennsylvanian Pool should be reclassified as an associated pool.

(6) That the evidence available at the time of the hearing indicates that said South Peterson-Pennsylvanian Associated Pool may be efficiently and economically developed by oil wells on 40-acre spacing and proration units and by gas wells on 320-acre spacing and proration units.

(7) That the South Peterson-Pennsylvanian Pool as heretofore defined and described in Roosevelt County, New Mexico, should be expanded to include the following described acreage:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM  
Section 30: NW/4

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM  
Section 11: S/2  
Section 12: S/2  
Section 13: N/2

(8) That the proposed South Peterson-Pennsylvanian Associated Pool may be produced at a limiting gas-oil ratio of 4,000 to one without waste and such limitation should be adopted.

(9) That the effective date of this order and of the pool extension, pool reclassification, and special pool rules contained herein should be December 1, 1981.

(10) That approval of the subject application will prevent waste and will not cause violation of correlative rights.

IT IS THEREFORE ORDERED:

(1) That effective December 1, 1981, the South Peterson-Pennsylvanian Pool in Roosevelt County, New Mexico, is hereby reclassified as an associated pool and redesignated the South Peterson-Pennsylvanian Associated Pool.

(2) That said South Peterson-Pennsylvanian Associated Pool shall be governed by the General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico, promulgated by Order No. R-5353, insofar as said General Rules and Regulations are not inconsistent with the Special Rules and Regulations for the subject pool as hereinafter set forth, in which event the Special Rules shall apply.

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Case No. 7448

Order No. R-5353-I

SPECIAL RULES AND REGULATIONS  
FOR THE  
SOUTH PETERSON-PENNSYLVANIAN ASSOCIATED POOL

**RULE 2.** (a) A standard oil proration unit shall be 40 acres. A standard gas proration unit shall be 320 acres.

**RULE 6.** That the limiting gas-oil ratio shall be 4,000 cubic feet of gas for each barrel of oil produced.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the South Peterson-Pennsylvanian Associated Pool or in the Pennsylvanian formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs District Office of the Division in writing of the name and location of the well on or before April 1, 1982.

(2) That, pursuant to Paragraph A. of Section 70-2-18, N.M.S.A. 1978 Comp., contained in Laws 1969, Chapter 271, existing oil wells in the South Peterson-Pennsylvanian Associated Pool shall have dedicated thereto 40 acres and existing gas wells shall have dedicated thereto 320 acres in accordance with the foregoing pool rules; or, pursuant to Paragraph C. of said Section 70-2-18, existing wells may have non-standard spacing or proration units established by the Division and dedicated thereto.

Failure to file new Forms C-102 with the Division dedicating the appropriate acreage to a well or to obtain a non-standard unit approved by the Division within 60 days from the date of this order shall subject the well to cancellation of allowable. Until said Form C-102 has been filed or until a non-standard unit has been approved, and subject to said 60-day limitation, each well presently drilling to or completed in the South Peterson-Pennsylvanian Associated Pool or in the Pennsylvanian formation within one mile thereof shall receive no more than an 40-acre allowable for the pool.

(3) That the South Peterson-Pennsylvanian Associated Pool as heretofore defined and described in Roosevelt County, New Mexico, is hereby expanded to include the following described acreage:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM  
Section 30: NW/4

-4-

Case No. 7448

Order No. R-5353-I

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM

Section 11: S/2

Section 12: S/2

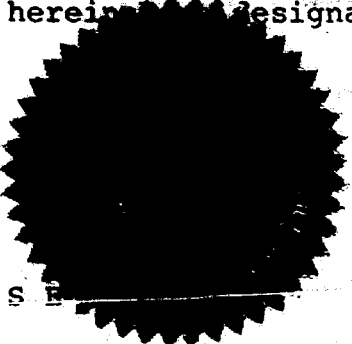
Section 13: N/2

(4) That the effective date of this Order and of the pool reclassification, special pool rules and pool extension included herein shall be December 1, 1981.

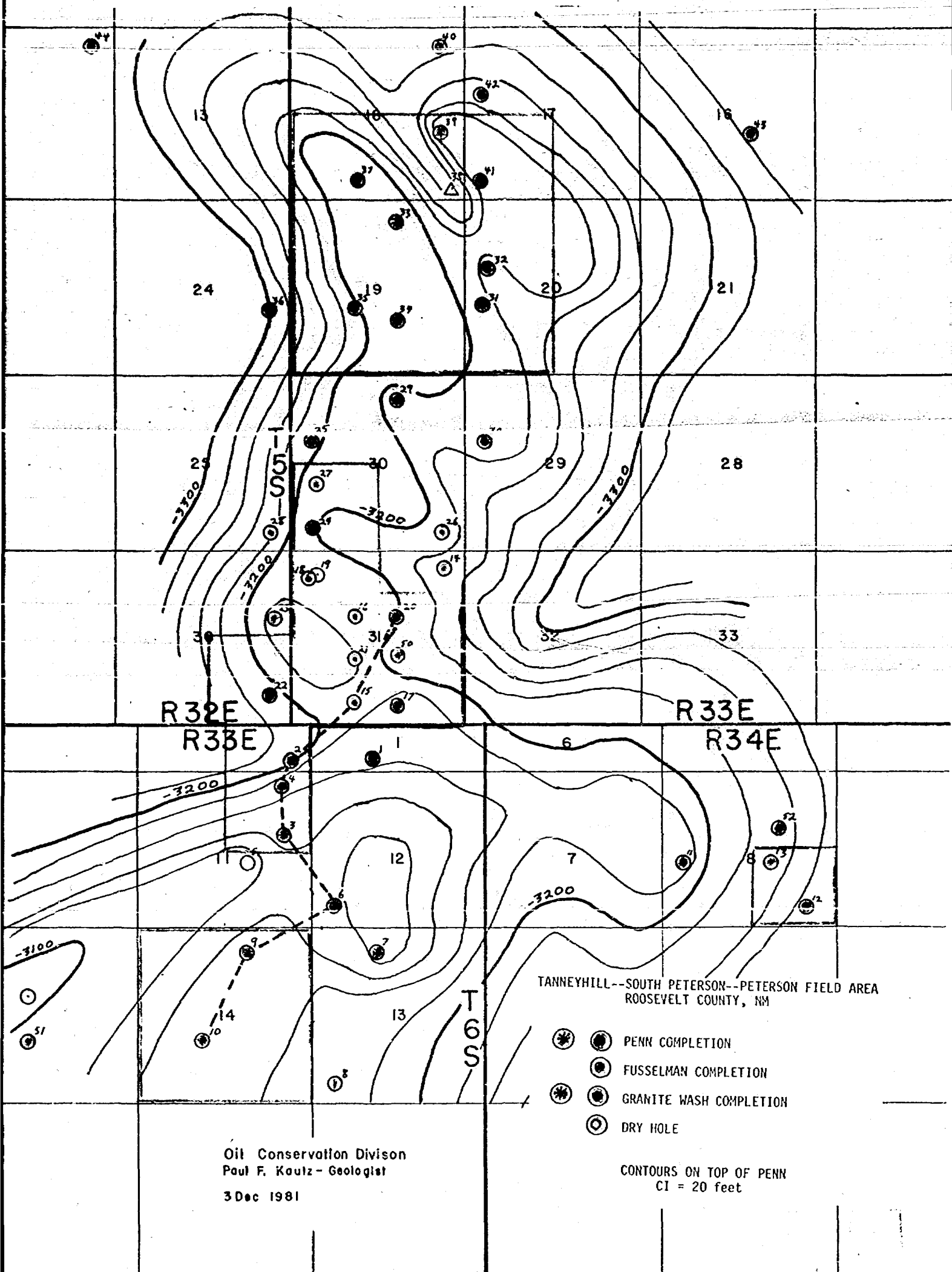
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

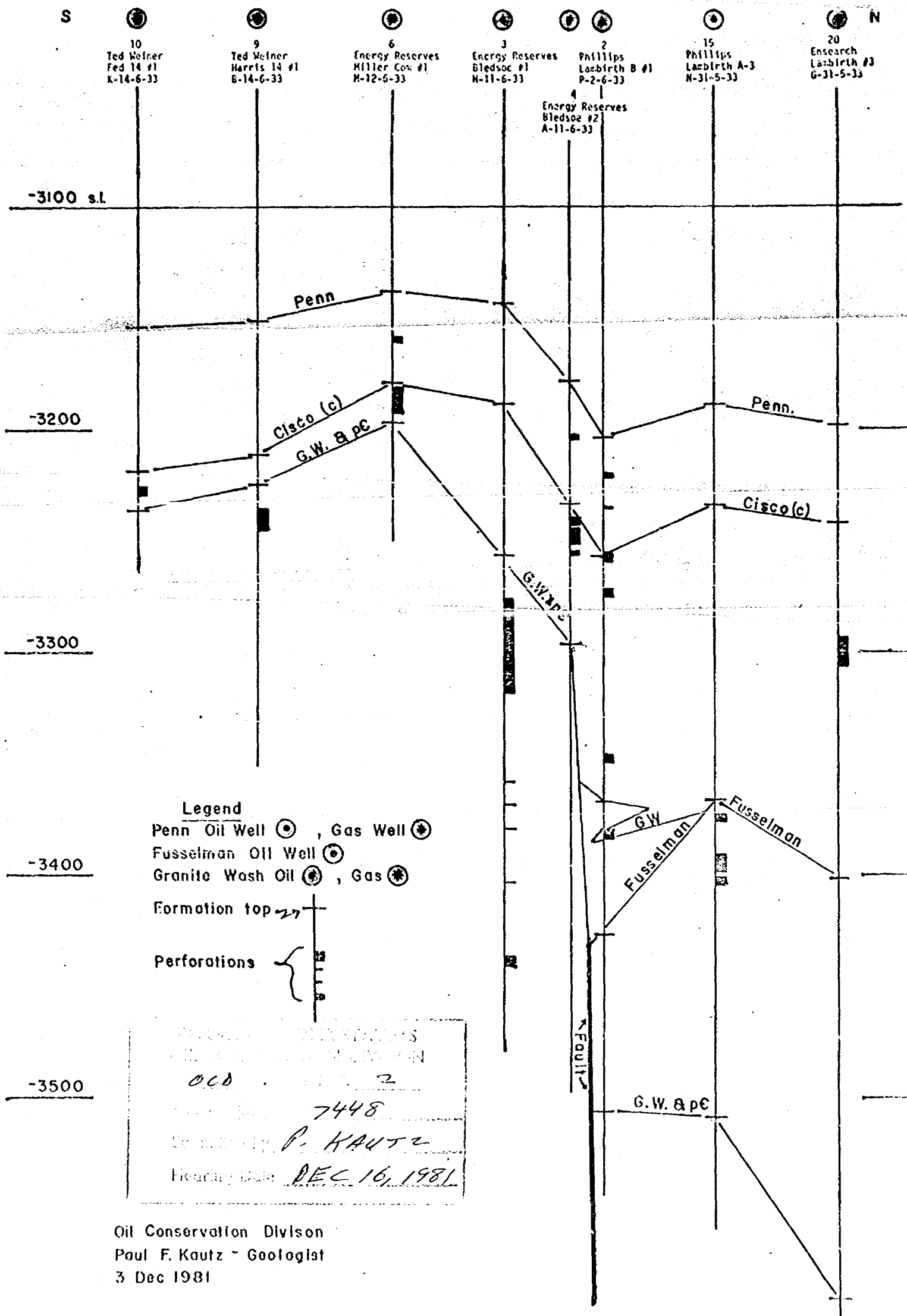


*Joe D. Ramey*  
JOE D. RAMEY  
DIRECTOR



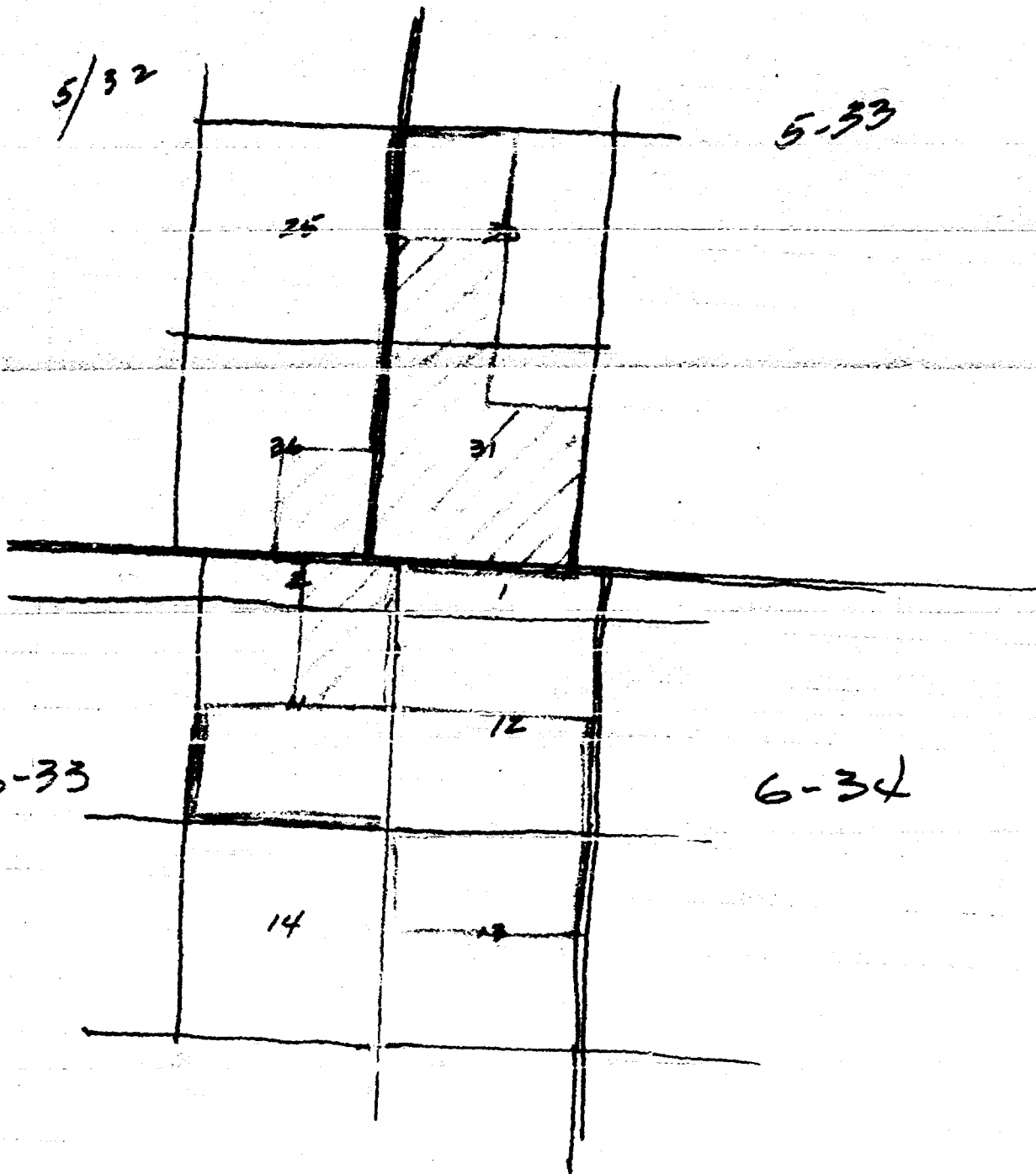
OCD

7448  
P. KAUTZ  
DEC 16, 1981



5/32

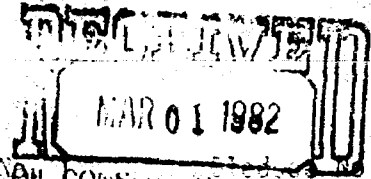
5-33



6-33

6-34

1-20-81 75  
(2700')



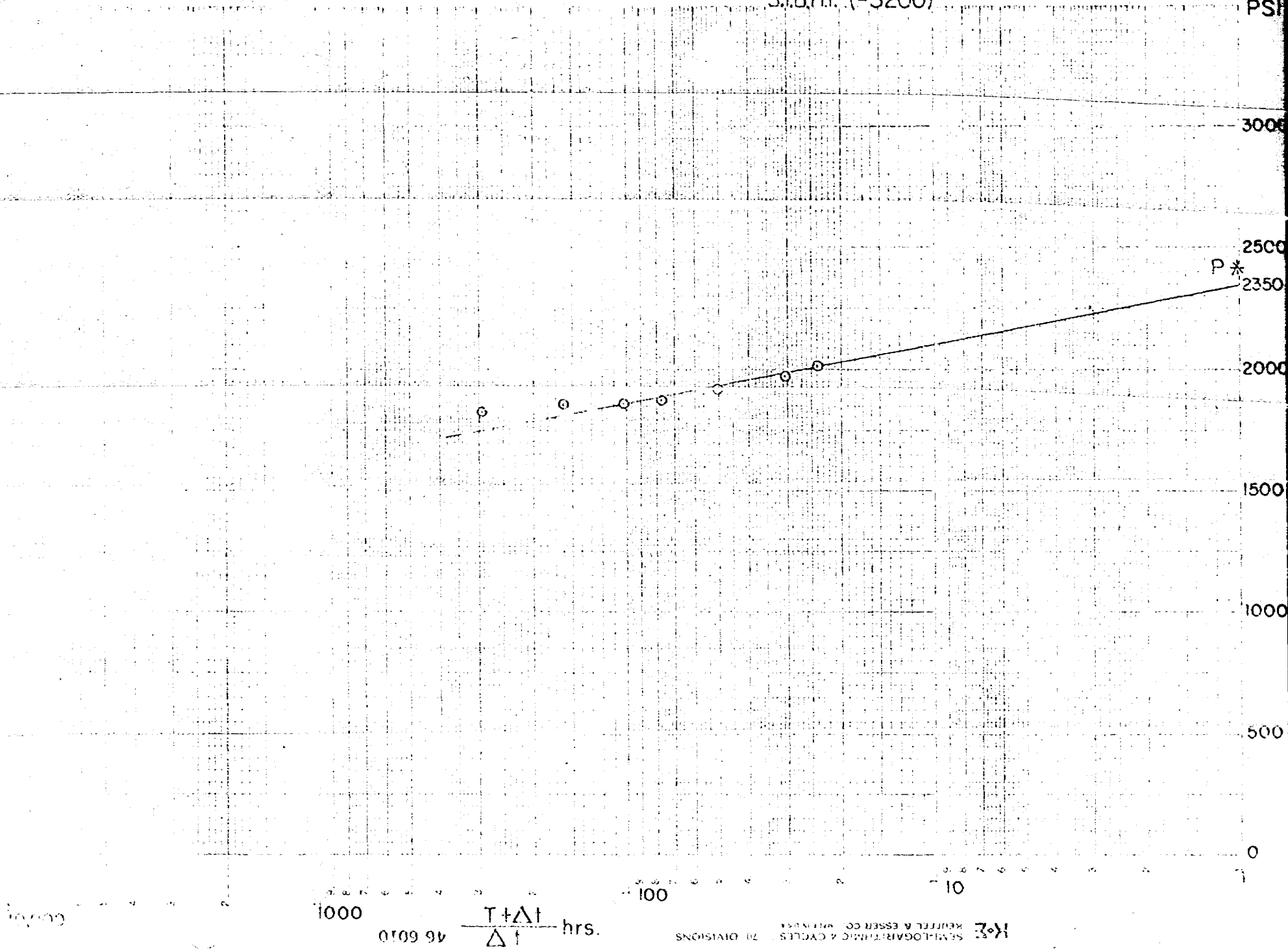
Miller No. 1

Crane NOIL CONSERVATION DIVISION  
SANTA FE (psi)

<u>Date</u>	<u>Status</u>	<u>(psi)</u>	<u>(psi)</u>	<u>(psi)</u>
12-18-81	Flowing	2208	2251	1254
12-19-81	Shut-In	2285	2294	1833
12-20-81	Shut-In	2134	2310	1862
12-21-81	Shut-In	2274	2301	1877
12-22-81	Shut-In	2276	2301	1888
12-24-81	Shut-In	2301	2315	1934
12-28-81	Shut-In	2308	2322	1988
12-31-81	Shut-In	2308	2325	2013

CASE #7448  
Applicant's Exhibit B





P. O. BOX 1161  
MUSKOGEE, N.M. 86240

## CERTIFICATE OF ANALYSIS

A Sample of 1000  
Secured from 1000  
At 412 N. Del Paso  
Muskogee, N.M. 86240

Secured by

Time

Date

Sampling conditions Press  
Temp

Station No.

### FRACTIONAL ANALYSIS

#### Percentage Composition

	MOL %	LIQ. %	G.P.M.
Carbon Dioxide			
Air			
Nitrogen			
Oxygen			
Hydrogen sulfide			
Hydrogen			
Methane	1.12	0.00	0.00
Ethane	0.00	0.00	0.00
Propane	1.12	0.00	0.00
Butanes			
Iso-Butane			
N-Butane			
Pentanes			
Iso-Pentane			
N-Pentane			
Hexanes			
Heptanes			
Octanes			
TOTAL	100.000	100.000	100.000

Calc. Sp. Gr.

Calc. A.P.I.

Calc. Vapor Press.

PSIA

Sp. Gr.

Mol. Wt.

#### LIQUID CONTENT (GAL./MCF)

Propane Calc. G.P.M.

Butanes Calc. G.P.M.

Pentanes Plus. G.P.M.

Ethane Calc. G.P.M.

RVP Gasoline G.P.M.

B.T.U./Cu. Ft. @ 14.696 P.S.I.A.

Dry Basis

Wet Basis

Sulfur Analysis by Titration

Gr./100 Cu. Ft.

Hydrogen Sulfide

Mercaptans

Sulfides

Residual Sulfur

Total Sulfur

Run by 1000 Checked by 1000 Approved by 1000

Additional Data and Remarks

NEW YORK  
LAB  
P. O. BOX 1181  
ROCKY HILL, N.M. 85240

Run No. \_\_\_\_\_  
Date of Run \_\_\_\_\_  
Date Secured \_\_\_\_\_

# CERTIFICATE OF ANALYSIS

A Sample of \_\_\_\_\_  
Secured from \_\_\_\_\_  
At \_\_\_\_\_ Secured by \_\_\_\_\_  
Time \_\_\_\_\_ Date \_\_\_\_\_  
Sampling conditions \_\_\_\_\_ Press \_\_\_\_\_  
Temp. \_\_\_\_\_ Station No. \_\_\_\_\_

## FRACTIONAL ANALYSIS

### Percentage Composition

	MOL %	LIQ. %	G.P.M.
Carbon Dioxide			
Air			
Nitrogen			
Oxygen			
Hydrogen sulfide			
Hydrogen			
Methane			
Ethane			
Propane			
Butanes			
Iso-Butane			
N-Butane			
Pentanes			
Iso-Pentane			
N-Pentane			
Hexanes			
Heptanes			
Octanes			
TOTAL	100.000	100.000	100.000

Calc. Sp. Gr. — \_\_\_\_\_  
Calc. A.P.I. — \_\_\_\_\_  
Calc. Vapor Press. — \_\_\_\_\_ PSIA  
Sp. Gr. \_\_\_\_\_  
Mol. Wt. \_\_\_\_\_

### LIQUID CONTENT (GAL./MCF)

Propane Calc. G.P.M. \_\_\_\_\_  
Butanes Calc. G.P.M. \_\_\_\_\_  
Pentanes Plus. G.P.M. \_\_\_\_\_  
Ethane Calc. G.P.M. \_\_\_\_\_  
RVP Gasoline G.P.M. \_\_\_\_\_  
B.T.U./Cu. Ft. @ 14.696 P.S.I.A.  
Dry Basis \_\_\_\_\_  
Wet Basis \_\_\_\_\_  
Sulfur Analysis by Titration  
Gr./100 Cu. Ft. \_\_\_\_\_  
Hydrogen Sulfide \_\_\_\_\_  
Mercaptans \_\_\_\_\_  
Sulfides \_\_\_\_\_  
Residual Sulfur \_\_\_\_\_  
Total Sulfur \_\_\_\_\_

Run by \_\_\_\_\_ Checked by \_\_\_\_\_ Approved by \_\_\_\_\_

Additional Data and Remarks

P. O. BOX 1161  
HOBBS, N.M. 88240

# CERTIFICATE OF ANALYSIS

A Sample of 100% Propane

Secured from Propane Engineering

At 112 N. El Paso

Hobbs, N.M. 88240

Secured by

Time

Date

Sampling conditions

Press

Temp

Station No.

## FRACTIONAL ANALYSIS

### Percentage Composition

MOL %

LIQ. %

G.P.M.

Carbon Dioxide

Air

Nitrogen

Oxygen

Hydrogen sulfide

Hydrogen

Methane

Ethane

Propane

Butanes

Iso-Butane

N-Butane

Pentanes

Iso-Pentane

N-Pentane

Hexanes

Heptanes

Octanes

TOTAL

Calc. A.P.I. —

Calc. Vapor Press —

Sp. Gr.

Mol. Wt.

PSIA

### LIQUID CONTENT (GAL./MCF)

Propane Calc. G.P.M.

Butanes Calc. G.P.M.

Pentanes Plus G.P.M.

Ethane Calc. G.P.M.

RVP Gasoline G.P.M.

B.T.U./Cu. Ft. @ 14.696 P.S.I.A.

Dry Basis

Wet Basis

Sulfur Analysis by Titration

Gr./100 Cu. Ft.

Hydrogen Sulfide

Mercaptans

Sulfides

Residual Sulfur

Total Sulfur

Run by

Checked by

Approved by

Additional Data and Remarks

ANALYSIS OF  
RECEIVED FROM  
LOCATION

110.2450 INVENTED  
CITIES SERVICE COMPANY  
TULSA OKLAHOMA

SAMPLE CONDITIONS PRESSURE 450.0 PSIG  
TIME.....

TEMPERATURE..... 78.0 F  
AMBIENT TEMPERATURE... 60.0 F

FRACTIONAL ANALYSIS  
CALCULATED @ 14.650 PSIA AND 60 F

MOLE % GPM

SULPHUR DETERMINATION

HYDROGEN SULFIDE... 0.00  
NITROGEN..... 9.07  
CARBON DIOXIDE... 0.00  
METHANE..... 70.06  
ETHANE..... 9.88 2.818  
PROPANE..... 6.77 1.853  
ISOBUTANE..... 0.78 0.214  
NOR-BUTANE..... 2.24 0.702  
ISOPENTANE..... 0.36 0.131  
NOR-PENTANE..... 0.30 0.180  
HEXANES..... 0.18 0.065  
HEPTANES +..... 0.02 0.007  
TOTAL..... 100.00 5.812

GRAVIMETRIC  
HYDROGEN SULFIDE... 0.000  
MERCAPTANS..... 0.000  
SULFIDES..... 0.000  
RESIDUAL SULPHUR.... 0.000  
TOTAL..... 0.000

LIQUEFIABLE HYDROCARBONS

GPM GPM  
PROPANE..... 1.853  
BUTANE..... 0.956  
LPG..... 2.809  
GASOLINE..... 0.385  
SUB TOTAL..... 3.194  
ETHANE..... 2.618

TOTAL..... 5.812

REID VAPOR PRESSURE

26 LB..... 0.5463  
12 LB..... 0.3656

MIXTURE SPECIFIC GRAVITY

CALCULATED FROM ANALYSIS..... 0.769  
DETERMINED BY RANGREX..... 0.779

MIXTURE HEATING VALUE..... DRY..... 1193 WET..... 1172 BTU

DISTRIBUTION

TOLIVER  
JOHNSON

VS 43 SCF/D

ANALYSIS BY M. J. WILSON

APPROVED

*M. Wilson*

Cities Service Oil Company  
P. O. Box 300  
Tulsa, Oklahoma 74102

Report of Tests on Sample Gas

Identification Marks: TED WEINER - Fed. ~~XXXXXXXXXX~~ - Station #27346  
4506 29°F. Sp. Gr. 0.760  
11-2-37

CHROMATOGRAPH FRACTIONAL ANALYSIS

<u>COMPONENT</u>	<u>MOL PERCENT</u>	<u>G. I. M.</u>
Nitrogen	8.81	
Total Acid Gas	0.12	
Methane	72.13	
Ethane	9.51	2.528
Propane	6.45	1.765
Isobutane	0.70	0.228
N-Butane	1.84	0.577
Isopentane	0.18	0.066
N-Pentane	0.19	0.068
Hexanes +	0.04	0.016
	100.00	5.248

Computed Specific Gravity @ 60°F. (Air = 1) 0.745  
Computed BTU, Dry = 1158.4 Saturated = 1138

Lab. No. H15-3776

Respectfully submitted,

*Carl E. Crownover*  
Carl E. Crownover

BTU Basis: Fuel Gas @ 14.73 psia @ 60°F.

A SAMPLE OF 420.77012 ENERGY ACCOUNTING GROUP  
RECEIVED FROM CITIES SERVICE COMPANY  
LOCATION TULSA OKLAHOMA

SAMPLE CONDITIONS PRESSURE 15.0 PSIG TEMPERATURE..... 70.0 F  
TIME..... AMBIENT TEMPERATURE... 60.0 F

\*\*\*\*\*

FRACTIONAL ANALYSIS  
CALCULATED @ 14.650 PSIA AND 60 F

BOLT %			GPM		SULFUR DETERMINATION	
HYDROGEN SULFIDE.	0.00				GRAINS/100SCF	
NITROGEN.....	7.73				HYDROGEN SULFIDE....	0.000
CARBON DIOXIDE...	0.00				MERCAPTANS.....	0.000
METHANE.....	68.97				SULFIDES.....	0.000
ETHANE.....	9.96	2.647			RESIDUAL SULPHUR....	0.000
PROPANE.....	6.39	1.749			TOTAL.....	0.000
ISO-BUTANE.....	1.20	0.390				
NOR-BUTANE.....	2.54	0.796			LIQUEFIABLE HYDROCARBONS	
ISO-PENTANE.....	0.68	0.247			GPM	GPM
NOR-PENTANE.....	1.00	0.360			PROPANE.....	1.749
HEXANES.....	0.09	0.385			BUTANE.....	1.186
HEPTANES +.....	0.64	0.293			LPG.....	2.935
					GASOLINE.....	1.285
TOTAL.....	100.00	6.867			SUB TOTAL.....	4.220
					ETHANE.....	2.647
					TOTAL.....	6.867

\*\*\*\*\*

REID VAPOR PRESSURE		MIXTURE SPECIFIC GRAVITY	
26 LB.....	1.9783	CALCULATED FROM ANALYSIS.....	0.823
12 LB.....	1.3443	DETERMINED BY RANACOX.....	0.835

MIXTURE HEATING VALUE..... DRY..... 1309 WET..... 1286 BTU  
Z FACTOR CALCULATED USING G.P.A. 21/2

\*\*\*\*\*

DISTRIBUTION

TOLIVER  
JOHNSON

W-45 60F/D

BY M. WITCE

APPROVED

CITIES SERVICE OIL COMPANY  
NATURAL GAS LIQUIDS DIVISION

\*\*\*\*\*  
AMBROSE LAB  
BLACKWELL, OKLA

GAS SAMPLE--- 656\*\*\*\*

\*\*\*\*\*

SIA 100 A30271033 TYPE A RUN 1

REF. DATE 67 5231

ANALYST'S NAME GROUP

(VOLUME = 572 MCFD)

DATE ANALYZED JUNE 23, 1981

SAMPLE TEMPERATURE WHEN TAKEN, DEG. F

96

SAMPLE PRESSURE WHEN TAKEN, PSIG

495

SAMPLE TEMPERATURE WHEN ANALYZED, DEG. F

100

SAMPLE PRESSURE WHEN ANALYZED, PSIG

555

FIELD DETERMINED GRAVITY

760

COMPOSITION MOL PCT GPM (60 F, 14.650 PSIA)

\*\*\*\*\*  
(FOR COMPUTER USE ONLY)  
STATION# (1) TYPE (2)  
MM CODE 3 (3) EFFECTIVE / / (4)  
EXPIRES / / (5) PERIOD OF DAYS (6)  
ANAL. RETENTION (6A) VAP LTR CODE (7)  
ADVISED DATE / / (7A)  
\*\*\*\*\*

\*\*\*\*\*  
NITROGEN 9.05 0.989  
CARBON DIOXIDE 0.11 0.018  
WATER 72.10 12.150  
ETHANE 9.82 2.610  
PROPANE 5.82 1.592  
ISOBUTANE 0.60 0.195  
N-BUTANE 1.67 0.522  
ISOPENTANE 0.25 0.091  
N-PENTANE 0.34 0.122  
HEAVY ENDS 0.24 0.102

Z FACTOR(60 F, 14.696 PSIA) \* 0.996871  
\* CALCULATED USING GPA 2172  
AVERAGE MOLECULAR WEIGHT 21.6317  
24) SPECIFIC GRAVITY, REAL \* 0.7453  
N VALUE 1.2879  
26/70 GASOLINE GPM 0.4707

TOTAL 100.00 2.624 (C3+ ONLY)  
5.234 (C2+ ONLY)  
TOTAL BTU/CO. FT. \* 1157.7554 (GROSS, REAL DRY, 60 F, 14.650 PSIA)  
TOTAL BTU/CO. FT. \* 1154.1306 (GROSS, IDEAL DRY, 60 F, 14.650 PSIA)  
TOTAL BTU/CO. FT. \* 1137.4924 (GROSS, REAL WET, 60 F, 14.650 PSIA)  
TOTAL BTU/CO. FT. \* 1133.9331 (GROSS, IDEAL WET, 60 F, 14.650 PSIA)

DIST. CUTION LIST NO. 37 COPIES TO:  
R. B. THOMPSON (6)  
T. B. THOMPSON (4)  
CARL B. BLY BOX 391 BLACKWELL, OKLA. 74631

PLEASE RETURN ANY EXTRA COPIES OR COPIES IMPROPERLY DISTRIBUTED TO :  
NGL MEASUREMENT SECTION, 943 CSB TULSA OKLA.



ANALYSIS NUMBER: 6292

DATE OF RUN: 12-21-81

DATE RECEIVED: 12-18-81

## ANALYSIS INFORMATION

SAMPLE IDENT: ENERGY RESOURCES GROUP - BUREAU OF

CLIENT: JOHN WEST ENGINEERING

ADDRESS: 412 N IAL PASO

CITY, STATE: FORBES NM 88040

SAMPLING PRESS: 0 PSIG

SAMPLING TEMP: 0 DEG F

STATION NUMBER:

\*\*\*\*\* GAS ANALYSIS \*\*\*\*\*

	PERCENT	SCF
NITROGEN	4.2312375	
CARBON DIOXIDE	0.1268148	
METHANE	71.5857574	
ETHANE	3.8049337	0.3312883
PROPANE	4.2338134	1.34.3812
ISOBUTANE	0.3117141	0.1338170
NORMAL BUTANE	1.1148548	0.3113213
ISOPENTANE	0.2877134	0.1230460
NORMAL PENTANE	0.4288443	0.1342620
HEXANES	0.2427473	0.0935748
HEPTANES PLUS	0.3397296	0.1513440
TOTAL	100.0108700	4.9875310

PROPANE GPM:	1.34	BUTANES GPM:	0.69
ETHANE GPM:	2.35	PENTANES PLUS GPM:	0.52

SPECIFIC GRAV (CALC): .7463

MOLE WEIGHT: 21.64

MM BTU/CU FT	PRESSURE (PSIA)	WET	DRY
14.656		1176	1146
14.658		1183	1143
14.730		1129	1149
14.735		1129	1149

ANALYZED BY:

ANALYZED BY:



**NEW-TEX  
LAB**

P. O. BOX 1161  
HOBBS, N.M. 88240

No. 5718  
Run No.  
Date of Run 9-30-8  
Date Secured ~~9-29-8~~

**CERTIFICATE OF ANALYSIS**

A Sample of Energy Reserves Group  
Secured from John West Engineering  
At 412 N. Del Paso  
Hobbs, NM 88240  
Sampling conditions Press  
Temp

Secured by  
Time Date

**FRACTIONAL ANALYSIS**

**Percentage Composition**

	MOL %	LIQ. %	G.P.M.
Carbon Dioxide	.590		
Air			
Nitrogen	3.750		
Oxygen			
Hydrogen sulfide			
Hydrogen			
Methane	25.699		
Ethane	10.137	2.704	
Propane	6.204	1.703	
Butanes			
iso Butane	.543	.210	
n-Butane	1.915	.602	
Pentanes			
iso Pentane	.308	.112	
n-Pentane	.431	.156	
Hexanes	.199	.082	
heptanes	.123	.057	
Octanes			
OTAL	100.000	5.626	

Calc. Sp. Gr. 0.7438  
Calc. A.P.I.  
Calc. Vapor Press.  
Sp. Gr.  
Mol. Wt. 21.54

**LIQUID CONTENT (GAL/MCF)**

Propane Calc. G.P.M. 1.703  
Butanes Calc. G.P.M. .812  
Pentanes Plus G.P.M. .407  
Ethane Calc. G.P.M. 2.704  
RVP Gasoline G.P.M.

B.T.U. Cu. Ft. @ 14.696 P.S.I.A.  
Dry Basis 1230  
Wet Basis 1208  
Sulfur Analysis by Titration  
Gr. 100 Cu. Ft.  
Hydrogen Sulfide  
Mercaptans  
Sulfides  
Residual Sulfur  
Total Sulfur

Run by Deane Simpson Checked by Approved by

Additional Data and Remarks

ANALYSIS CERTIFICATE

CLASS: PHYSICS GROUP: 101

10-10-1964

1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 26

Station 101 03507

**Hospital:** \_\_\_\_\_

\*\*\*\*\* GAS ANALYSIS \*\*\*\*\*

Figure 1: Schematic representation of the experimental design. The diagram shows a sequence of events: 'Stimulus' (a box with a question mark), 'Response' (a box with a question mark), 'Feedback' (a box with a question mark), and 'Outcome' (a box with a question mark). Arrows indicate the flow from Stimulus to Response, Response to Feedback, and Feedback to Outcome. A feedback loop arrow returns from Outcome to Stimulus. A box labeled 'Subject' is shown interacting with the 'Response' box.

9. 54

-2.62

7879

22:25

DRY

A.S. Saper

ANALYSIS NUMBER: 5495  
DATE OF RUN: 12 11 81  
DATE SECURED: 12 18 81

ANALYSIS CERTIFICATE

SAMPLE IDENT: ENERGY RESERVES GROUP - CRONE #1  
CLIENT: JOHN WEST ENGINEERING  
ADDRESS: 412 N DAL PASO  
CITY, STATE: HOBBS NM 88240

SAMPLING PRESS: 0 PSIG SAMPLING TEMP: C DEG F  
STATION NUMBER:

\*\*\*\*\* GAS ANALYSIS \*\*\*\*\*


	MOLE PERCENT	GAL/ MCF
NITROGEN	18.9809315	
CARBON DIOXIDE	0.1857597	
METHANE	52.8625426	
ETHANE	12.7475244	0.0663902
PROPANE	3.1332922	0.4081908
ISO-BUTANE	0.5557047	0.1813250
NORMAL BUTANE	0.8678041	0.4825112
ISO-PENTANE	0.2414953	0.0886839
NORMAL PENTANE	3.3346758	0.1173382
HEXANES	0.1354893	0.0637517
HEPTANES PLUS	0.2721063	0.1252230
TOTAL	100.0000000	5.3416200

PROPANE GPM: 1.41 BUTANES GPM: 0.67  
ETHANE GPM: 2.67 PENTANES PLUS GPM: 0.39

SPECIFIC GRAV (CALC): .7777  
MOLE WEIGHT: 22.62

HPV-BTU/CU FT	PRESSURE (PSIA)	WET	DRY
14.696	1060	1079	
14.658	1057	1076	
14.730	1060	1081	
14.735	1063	1082	

ANALYST: JH

APPROVED: 

**NEW-TEX**  
**LAB**

P. O. BOX 1181  
HOBBES, N. M. 88240

No. 5102

Run No.

Date of Run 6-8-81

Date Secured 6-11-81

# CERTIFICATE OF ANALYSIS

A Sample of Energy Reserves Group

Product #1

Secured from West Engineering

At 412 N. Dal Paso

Secured by

Hobbs, NM 88240

Time

Date

Sampling conditions

Press

Temp

## FRACTIONAL ANALYSIS

### Percentage Composition

MOL % LIQ. % G.P.M.

Carbon Dioxide	.305	
Nitrogen	11.062	
Oxygen		
Hydrogen sulfide		
Hydrogen		
Methane	72.131	
Ethane	3.277	2.207
Propane	4.763	1.307
Butanes		
i-Butane	.538	.176
n-Butane	1.868	.567
Pentanes		
i-Pentane	.286	.104
n-Pentane	.392	.142
Hexanes	.237	.092
Heptanes	.141	.065
Octanes		
TOTAL	100.000	8.685

Calc. Sp. Gr. 0.7463

Calc. API

Calc. Vapor Press.

Sp. Gr.

Mol. Wt. 21.62

### LIQUID CONTENT (GAL./MCF)

Precipn. Calc. G.P.M.	1.307
Butanes Calc. G.P.M.	.763
Pentanes Plus G.P.M.	.408
Ethane Calc. G.P.M.	2.207
AVP Gasoline G.P.M.	

BTU/CC Ft @ 14.696 P.S.I.A.

Oil Btu's

1110

Water Btu's

1089

Sulfur Analysis by Titration

Gr. S/CC Ft.

Hydrogen Sulfide

Mercaptans

Sulfides

Residual Sulfur

Total Sulfur

By Deane Simpson

Checked by

Approved by

ANALYSIS CERTIFICATE  
DATE: 11/11/81  
BY: 11/11/81

ANALYSIS CERTIFICATE

SAMPLE IDENT: ENERGY RESERVES GROUP ~~NO. 12~~ No. 12

CLIENT: WARREN PETRO-REM  
ADDRESS: BOX 512  
CITY, STATE: TATUM, NM 86167

SAMPLING DEPTH: 0 PSIG SAMPLING TEMP: 0 DEG F

STATION NUMBER: \*\*\*\*\* GAS ANALYSIS \*\*\*\*\*

	MOLE PERCENT	REAL MOLE PERCENT
NITROGEN	0.000000	0.000000
CARBON DIOXIDE	0.000000	0.000000
ETHANE	0.910000	0.910000
PROPANE	0.000000	0.000000
ISOBUTANE	0.000000	0.000000
NORMAL BUTANE	0.000000	0.000000
PENTANE	0.000000	0.000000
HEXANE	0.000000	0.000000
HEPTANES PLUS	0.000000	0.000000
TOTAL	100.000000	100.000000

PROPANE GPM: 2.04 BUTANES GPM: 0.92  
ETHANE GPM: 3.02 PENTANES PLUS GPM: 0.37

SPECIFIC GRAV (CALC): 0.7785  
MOLE WEIGHT: 22.85

REV-STU/CU FT	PRESSURE (PSIA)	WET	DRY
14.696	1196	1217	
14.630	1192	1213	
14.700	1190	1208	
14.735	1189	1200	

ANALYZED BY: APPROVED BY: 

# CERTIFICATE OF ANALYSIS

A Sample of Miller 41  
 Secured from Energy Reserves Group Inc.  
Box 2437  
Midland, Texas 79702

Secured by Line

Sampling conditions Press  
Temp

Core Cisco Formation  
Dora Field, Lea Co. N.

## FRACTIONAL ANALYSIS

### Percentage Composition

MOL % LIQ. % G.P.M.

Carbon Dioxide	.156	
Air		
Nitrogen	9.943	
Oxygen		
Hydrogen sulfide		
Hydrogen		
Methane	72.553	
Ethane	9.542	2.545
Propane	4.498	1.235
Butanes		
Iso Butane	.451	.147
N-Butane	1.754	.551
Pentanes		
Iso-Pentane	.272	.099
N-Pentane	.410	.148
Hexanes	.217	.089
Heptanes	.194	.089
Octanes		
TOTAL	100.000	4.903

Calc. Sp. Gr. 0.7419  
 Calc. A.P.I. —  
 Calc. Vapor Press — PSIA  
 Sp. Gr. —  
 Mol. Wt. 21.51

### LIQUID CONTENT (GAL/MCF)

Propane Calc. G.P.M. 1.235  
 Butanes Calc. G.P.M. .698  
 Pentanes Plus. G.P.M. .425  
 Ethane Calc. G.P.M. 2.545  
 Total G.P.M. —  
 B.T.U./Cu. Ft. @ 14.696 P.S.I.A.  
 Dry Basis 1135  
 Wet Basis 1115

Sulfur Analysis by Titration  
 Gr./100 Cu. Ft.  
 Hydrogen Sulfide  
 Mercaptans  
 Sulfides  
 Residual Sulfur  
 Total Sulfur

Run by Deane Simpson

Checked by —

Approved by —

Additional Data and Remarks

NEW-TEN

L-151

P.O. BOX 1161  
HOBBS, N.M. 88240

No. 4706  
Run No.  
Date of Run 3-29-8  
Date Secured 3-29-8

CERTIFICATE OF ANALYSIS

Sample of Energy Reserves Group  
Secured from Hobbs Engineering  
412 N. Dal Paso  
Hobbs, NM 88240

V. 11222-11  
Secured by  
Date

Sampling conditions Press.  
Temp.

FRACTIONAL ANALYSIS

Percentage Composition

	MOL %	LIQ. %	G.P.M.
Carbon Dioxide	.139		
Nitrogen	10.510		
Oxygen			
Hydrogen sulfide			
Hydrogen			
Methane	70.532		
Ethane	10.014		2.671
Propane	4.936		1.355
Isobutane	.601		.136
n-Butane	2.172		.683
Pentanes			
n-Pentane	.283		.105
i-Pentane	.403		.147
Hexanes	.222		.091
Heptanes	.178		.082
Octanes			
Total	100.000		5.330

Calc. Sp. Gr. 0.7588  
Calc. A.P.I.  
Calc. Vapor Press.  
Sp. Gr.  
Mol. Wt. 21.99

LIQUID CONTENT (GAL/MCF)

Propane Calc. G.P.M. 1.355  
Butanes Calc. G.P.M. .829  
Pentanes Plus G.P.M. .825  
Ethane Calc. G.P.M. 2.671  
Total G.P.M. Gasoline G.P.M.  
GAL/MCF @ 14.7 PSIA  
Dry Basis 1152  
Wet Basis 1132  
Satur. Analysis by Imation  
Dry Gas G.P.M.  
Hydrogen Sulfide  
Mercurials  
Solubles  
Residue  
Total Solub.

For b, Deane Simpson, Chemist, Analyzed by Deane Simpson

Additional Data and Remarks



ANALYSIS OF GAS  
14.5 OF GAS 11.11.81  
DATE SECURED: 11.11.81

# ANALYSIS CERTIFICATE

SAMPLE IDENT: ENERGY RESERVES GROUP ~~XXXXXX~~

CLIENT: WARRER PETROLEUM

ADDRESS: BOX 902

CITY, STATE: TATUM, OK 73087

SAMPLING PRESS: 0 PSIG

SAMPLING TEMP: 0 DEG F

STATION NUMBER:

\*\*\*\*\* ~~END ANALYSIS~~ \*\*\*\*\*

MOLE PERCENT  
WGT PERCENT

NITROGEN	9.5531131	
CARBON DIOXIDE	0.1168188	
METHANE	57.0254781	
ETHANE	9.3140990	2.6066903
PROPANE	5.1983997	1.7252580
ISO-BUTANE	1.2993321	0.4364450
NORMAL BUTANE	2.2017997	0.6598632
ISO-PENTANE	4.2913383	0.1433810
NORMAL PENTANE	0.3679061	0.2104760
HEXANES	0.2788331	0.1148120
HEPTANES PLUS	0.1240709	0.0347054
TOTAL	100.0000000	6.0207700

PROPANE GPM:	1.73	BUTANES GPM:	1.12
ETHANE GPM:	2.62	PENTANES PLUS GPM:	0.56

SPECIFIC GRAV (CALC): .7846

MOLE WEIGHT: 22.74

MMV-BTU/CU FT	PRESSURE (PSIA)	WET	DRY
14.696		1188	1209
14.650		1184	1205
14.710		1191	1210
14.735		1191	1212

ANALYZED BY:

APPROVED BY:

ANALYSIS NUMBER: 8293

DATE OF RUN: 12 21 81

DATE SECURED: 12 18 81

## ANALYSIS CERTIFICATE

SAMPLE IDENT: ENERGY RESERVE GROUP - MILLER #1

CLIENT: JOHN WEST ENGINEERING

ADDRESS: 412 N DAL PASO

CITY STATE: HOBBS NM 88242

SAMPLING PRESS: 0 PSIA SAMPLING TEMP: 0 DEGREE

STATION NUMBER:

\*\*\*\*\* 645-ANALYSIS \*\*\*\*\*

	MOLE PERCENT	BAL. MOF
NITROGEN	9.543062	
CARBON DIOXIDE	0.139867	
METHANE	75.4027035	
ETHANE	0.8391332	0.2774100
PROPANE	0.0502613	0.0574500
ISO-BUTANE	0.4287609	0.1399050
NORMA BUTANE	1.2564807	0.3944190
ISO-PENTANE	0.2111549	0.0770520
NORMAL PENTANE	0.3145446	0.1137850
HEXANES	0.1772952	0.0726445
HEPTANES PLUS	0.2001652	0.0721174
TOTAL	100.0000000	4.2248100

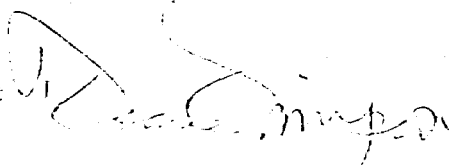
PROPANE GPM:	1.06	BUTANES GPM:	0.53
ETHANE GPM:	2.28	PENTANES PLUS GPM:	0.36

SPECIFIC GRAV (C@10):	.7171
MOLE WEIGHT:	20.79

HHV-BTU/CU FT	PRESSURE (PSIA)	WET	DRY
14.696	1054	1106	
14.650	1053	1102	
14.730	1059	1102	
14.735	1059	1108	

ANALYZED BY:

APPROVED BY:



Dockets Nos. 6-82 and 7-82 are tentatively set for February 17 and March 3, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - FEBRUARY 2, 1982

OIL CONSERVATION COMMISSION - 9 A.M.  
ROOM 205, STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO

The following cases were continued from the January 11, 1982, Commission hearing:

CASE 7393: (DE NOVO)

Application of Uriah Exploration Incorporated for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cisco, Canyon and Morrow formations underlying the W/2 of Section 13, Township 22 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

Upon application of Supron Energy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 7394: (DE NOVO)

Application of Supron Energy Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian well to be drilled 467 feet from the North line and 1650 feet from the West line of Section 13, Township 22 South, Range 24 East, the N/2 of said Section 13 to be dedicated to the well.

Upon application of Supron Energy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

Docket No. 5-82

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 3, 1982

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE  
ROOM, STATE LAND OFFICE BUILDING, SANTA FE,  
NEW MEXICO.

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 7469: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit H. M. Bailey & Associates, Commercial Union Insurance Company, and all other interested parties to appear and show cause why the following wells on the H. M. Bailey Lease, Township 21 South, Range 1 West, Dona Ana County, should not be plugged and abandoned in accordance with a Division-approved plugging program: In Section 10: Nos. 9 in Unit A, 9, 11, 12, and 13 in Unit B, 10 and 14 in Unit C; and No. 15 in Unit C of Section 9.

CASE 7470: Application of Wayne Moore for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Delaware River Unit Area, comprising 2,560 acres more or less, of State and fee lands in Township 26 South, Range 28 East.

CASE 7471: Application of Gulf Oil Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the South Lynch State Unit Area, comprising 1920 acres, more or less, of State lands in Township 21 South, Range 33 East.

CASE 7472: Application of Grace Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Buffalo-Deep East Unit Area, comprising 2543 acres, more or less, of Federal and State lands in Townships 18 and 19 South, Range 33 East.

CASE 7462: (Continued from January 20, 1982, Examiner Hearing)

Application of Marathon Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Drinkard and Blinbry production in the wellbore of its C. J. Saunders Well No. 3, located in Unit C of Section 1, Township 22 South, Range 36 East.

CASE 7473: Application of Inexco Oil Company for pool creation, special pool rules and discovery allowable Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for its Lottie York Well No. 1 located in Unit P of Section 14, Township 17 South, Range 37 East, with special rules therefor, including provisions for 160-acre spacing. Applicant further seeks the assignment of 57,150 barrels of discovery allowable to said well.

CASE 7453: (Continued and Readvertised)

Application of T. D. Skelton for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian and Mississippian formations underlying the NE/4 NW/4 of Section 7, Township 12 South, Range 38 East, to be dedicated to the re-entry of an old well at a standard location thereon or to a new well to be drilled at a standard location if such re-entry is unsuccessful. Also to be considered will be the cost of re-entering and completing said well and the drilling of the new well, if necessary, and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in re-entry and/or drilling said wells.

CASE 7451: (Continued from January 20, 1982, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Abo formation underlying the SE/4 of Section 11, Township 6 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7474: Application of Union Oil Company of California for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn, Atoka and Morrow formations underlying the E/2 of Section 25, Township 19 South, Range 33 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7475: Application of C & K Petroleum, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Casey-Strawn Pool underlying the E/2 SE/4 of Section 28, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7476: Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through and including the Abo formation, underlying two 160-acre gas spacing units, being the NE/4 and SE/4, respectively, of Section 12, Township 5 South, Range 24 East, each to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.

CASE 7477: Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through and including the Abo formation, underlying the NE/4 of Section 30, Township 6 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7448: (Continued and Readvertised)

Application of Energy Reserves Group, Inc. for creation of a new associated pool and special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new associated pool to be designated the South Peterson Penn Associated Pool, comprising the NW/4 of Section 30, Township 5 South, Range 33 East, the S/2 of Section 11, the S/2 of Section 12, and the N/2 of Section 13, Township 6 South, Range 33 East. Applicant further seeks the establishment of special pool rules including 40-acre spacing units for oil wells and 320-acre spacing units for gas wells and a 4000 to one gas-oil ratio limitation.

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EXAMINER HEARING - WEDNESDAY  
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CASE 7478: Application of Julian Ard for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the E/2 of Section 23, Township 20 South, Range 33 East, to be dedicated to a well to be drilled at an unorthodox location 1980 feet from the North line and 2310 feet from the East line of said Section 23. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

Dockets Nos. 3-82 and 4-82 are tentatively set for January 20 and February 3, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 6, 1982

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 7410: (Continued from December 16, 1981, Examiner Hearing)

Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

CASE 7440: (Continued and Readvertised)

Application of Energy Reserves Group Inc. for creation of a new gas pool and an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for Cisco production comprising the S/2 of Section 12 and the N/2 of Section 13, Township 6 South, Range 33 East; applicant further seeks approval of the unorthodox location of its Miller Com Well No. 1-Y located 660 feet from the South and West lines of said Section 12.

CASE 7451: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Abo formation underlying the SE/4 of Section 11, Township 6 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7452: Application of Superior Oil Company for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Wolfcamp-Penn well to be drilled 1980 feet from the South line and 2480 feet from the East line of Section 14, Township 23 South, Range 32 East, the S/2 of said Section 14, to be dedicated to the well.

CASE 7453: Application of T. D. Skelton for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian and and Mississippian formations underlying the NE/4 NW/4 of Section 7, Township 12 South, Range 38 East, to be dedicated to the re-entry of an old well at a standard location thereon. Also to be considered will be the cost of re-entering and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in re-entry of said well.

CASE 7454: Application of Uriah Exploration, Inc., for approval of an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1090 feet from the North line and 560 feet from the East line of Section 30, Township 22 South, Range 25 East, Wolfcamp-Pennsylvanian formations, the N/2 of said Section to be dedicated to the well.

CASE 7455: Application of H. L. Brown, Jr. for compulsory pooling at an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Granite Wash formation underlying the S/2 of Section 11, Township 6 South, Range 33 East, to be dedicated to a well to be drilled at an unorthodox location 1300 feet from the South line and 660 feet from the East line of said Section 11. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

- CASE 7456:** Application of Colonial Production Company for gas well commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the commingling of Ballard-Pictured Cliffs production from its Jicarilla Apache Wells Nos. 9 and 10, located in Units A and C of Section 15, Township 23 North, Range 4 West, prior to metering.
- CASE 7457:** Application of E. T. Ross for nine non-standard gas proration units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for nine 40-acre non-standard gas proration units in the Bravo Dome Carbon Dioxide Area. In Township 19 North, Range 30 East: Section 12, the NW/4 NW/4 and NE/4 NW/4; Section 14, the NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4. In Township 20 North, Range 30 East: Section 11, the NE/4 SW/4, SW/4 SE/4, SE/4 SW/4, and NW/4 SE/4.
- CASE 7458:** Application of Marks & Garner Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of salt water into the Bough C formation in the perforated interval from 9596 feet to 9616 feet in its Betenbough Well No. 2, located in Unit N of Section 12, Township 9 South, Range 35 East.
- CASE 7459:** Application of Red Mountain Associates for the Amendment of Order No. R-6538, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6538, which authorized applicant to conduct waterflood operations in the Chaco Wash-Mesa Verde Oil Pool. Applicant seeks approval for the injection of water through various other wells than those originally approved, seeks deletion of the requirement for packers in injection wells, and seeks an increase in the previously authorized 68-pound limitation on injection pressure.
- CASE 7460:** Application of Northwest Pipeline Corporation for 13 non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for 13 non-standard Pictured Cliffs gas proration units ranging in size from 142.39 acres to 176.77 acres and each comprised of various contiguous lots or tracts in Sections 4, 5, 6, 7, and 18 of Township 31 North, Range 7 West. Said proration units result from corrections in the survey lines on the North and West sides of Township 31 North, Range 7 West and overlap seven non-standard Mesaverde proration units previously approved by Order No. R-1066.
- CASE 7461:** Application of Wainoco Oil & Gas Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a well to be drilled at an unorthodox location 660 feet from the South and West lines of Section 18, Township 16 South, Range 37 East, Northeast Lovington Penn Pool, said location being 177.7 feet west of the center of Lot 4 whereas the pool rules specify that well be drilled within 150 feet of the center of the lot. Lots 3 and 4 of said Section 18 would be dedicated to the well.
- CASE 7421:** (Readvertised)
- Application of Doyle Hartman for compulsory pooling, unorthodox well location and non-standard spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Eumont Gas Pool underlying a 120-acre non-standard spacing unit consisting of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and 330 feet from the West line of Section 3. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

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Docket No. 2-82

DOCKET: COMMISSION HEARING - MONDAY- JANUARY 11, 1982  
9 A.M. - OIL CONSERVATION COMMISSION - ROOM 205  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

**CASE 7393: (DE NOVO)**

Application of Uriah Exploration Incorporated for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cisco, Canyon and Morrow formations underlying the W/2 of Section 13, Township 22 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

Upon application of Supron Energy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

COMMISSION HEARING - MONDAY - JANUARY 11, 1982

CASE 7394: (DE NOVO)

Application of Supron Energy Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian well to be drilled 467 feet from the North line and 1650 feet from the West line of Section 13, Township 22 South, Range 24 East, the N/2 of said Section 13 to be dedicated to the well.

Upon application of Supron Energy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.



Dockets Nos. 1-82 and 2-82 are tentatively set for January 6, and January 20, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

**DOCKET: EXAMINER HEARING - WEDNESDAY - DECEMBER 16, 1981**

**9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO**

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- AGENDAS:** (1) Consideration of the allowable production of gas for January, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for January, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

- CASE 7439:** Application of Bass Enterprises Production Company for an amendment of Division Order No. R-6776, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6776 which authorized the directional drilling of its James Ranch Well No. 13 in Section 36, Township 22 South, Range 30 East, to provide for an amended surface location 1440 feet from the North line and 860 feet from the West line of Section 6, Township 23 South, Range 31 East.
- CASE 7440:** Application of Morris R. Antweil for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4 NE/4 of Section 5, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7441:** Application of Morris R. Antweil for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4 NW/4 of Section 5, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7442:** Application of Depco, Inc. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the Abo formation underlying the SE/4 of Section 23, Township 5 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7443:** Application of Dalton H. Cobb for compulsory pooling, Guadalupe County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4 of Section 20, Township 8 North, Range 22 East, to be dedicated to a well drilled at a standard location thereon. Also to be considered will be the cost of re-entering and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in re-entering said well.
- CASE 7444:** Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Penn formations underlying the E/2 of Section 36, Township 18 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7445:** Application of Harvey E. Yates Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the San Andres formation for its Fulton Collier Well No. 1 in Unit G of Section 1, Township 18 South, Range 28 East.

CASE 7410: (Continued from November 19, 1981, Examiner Hearing)

Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

CASE 7336: (Continued from November 19, 1981, Examiner Hearing)

Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7423: (Continued from November 19, 1981, Examiner Hearing - This Case will be dismissed)

Application of Conoco, Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for three companies to institute a cooperative waterflood project in the Blinbry oil and gas pool by the injection of water into the Blinbry formation through 13 injection wells located on leases operated by Conoco, Shell Oil Company, and Southland Royalty Company, in Sections 33 and 34, Township 20 South, Range 38 East, and Sections 2 and 3, Township 21 South, Range 37 East.

CASE 7448: Application of Energy Reserves Group, Inc. for creation of a new gas pool and an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for Cisco production comprising the S/2 of Section 12 and the N/2 of Section 13, Township 6 South, Range 33 East; applicant further seeks approval of the unorthodox location of its Miller Com Well No. 1-Y located 660 feet from the South and West lines of said Section 12.

CASE 7449: Application of E. T. Ross for nine non-standard gas proration units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for nine 40-acre non-standard gas proration units in the Bravo Dome Carbon Dioxide Area. In Township 19 North, Range 30 East: Section 12, the NW/4 NW/4 and NE/4 NW/4; Section 14, the NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4. In Township 20 North, Range 30 East: Section 11, the NE/4 SW/4, SW/4 SE/4, SE/4 SW/4, and NW/4 SE/4.

CASE 7446: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, contracting, and extending vertical and horizontal limits of certain pools in San Juan, Rio Arriba, McKinley, and Sandoval Counties, New Mexico:

(a) That the South Gallegos Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby abolished.

(b) That the South Gallegos Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby contracted by deleting:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM  
Section 24: SE/4  
Section 25: E/2

(c) That the Otero Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby contracted by deleting:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM  
Section 31: NW/4

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM  
Section 36: W/2 SW/4

(d) That the South Gallegos-Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 2: S/2  
 Section 3: SE/4  
 Section 10: NE/4  
 Section 13: W/2

and the vertical limits of said pool are hereby extended to include the Pictured Cliff formation and said pool is redefined as the South Gallegos-Fruitland -Pictured Cliffs Gas Pool.

(e) That a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Macimiento production, is hereby created and designated as the Cavilan Macimiento Pool, comprising the following described area:

TOWNSHIP 24 NORTH, RANGE 1 WEST, NMPM

Section 6: SW/4

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM

Section 1: SE/4  
 Section 12: N/2

(f) That the Aztec Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, described and defined, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 30: SE/4  
 Section 31: NE/4

(g) That the Actec Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 12: NE/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

Section 7: SE/4  
 Section 21: NW/4 and SE/4  
 Section 28: E/2

(h) That the BS Mesa Gallup Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM

Section 1: NW/4  
 Section 2: All  
 Section 6: SW/4

(i) That the Beautiful Mountain Mississippian Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby redesignated the Beautiful Mountain Mississippian Gas Pool and is extended to include:

TOWNSHIP 27 NORTH, RANGE 19 WEST, NMPM

Section 32: N/2 S/2 and SW/4 SW/4 and SE/4 SE/4

(j) That the Ballard Pictured Cliffs Gas Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 5 WEST, NMPM

Section 24: NE/4

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM

Section 15: SW/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 35: S/2

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM

Section 9: NE/4  
 Section 14: NW/4 and SE/4

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(k) That the Bisti Lower Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM  
Section 6: N/2 NE/4

TOWNSHIP 25 NORTH, RANGE 10 WEST, NMPM  
Section 31: SE/4

(l) That the Blanco Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM  
Section 3: SE/4  
Section 10: NE/4

(m) That the Blanco Mesa Verde Gas Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM  
Section 4: S/2  
Section 5: S/2

TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM  
Section 10: W/2

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM  
Section 14: S/2  
Section 25: All  
Section 26: All  
Section 35: All  
Section 36: All

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM  
Section 2: S/2  
Sections 7 to 16: All  
Section 22: All

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM  
Section 22: N/2

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM  
Section 13: W/2  
Section 14: All  
Section 23: N/2  
Section 24: All

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM  
Section 23: N/2

TOWNSHIP 30 NORTH, RANGE 4 WEST, NMPM  
Section 30: W/2

TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM  
Section 14: All  
Section 15: E/2  
Section 23: All

(n) That the Blanco Pictured Cliffs Gas Pool in Rio Arriba, San Juan and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM  
Section 17: NW/4  
Section 18: SE/4

TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM

Section 1: W/2  
Section 4: E/2  
Section 9: N/2  
Section 10: NW/4  
Section 33: E/2  
Section 34: W/2 and SE/4  
Section 35: SW/4

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM

Section 11: SW/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

Section 6: NW/4

TOWNSHIP 31 NORTH, RANGE 9 WEST, NMPM

Section 28: SE/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM

Section 12: NE/4

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM

Section 10: E/2

(0) That the South Blanco Pictured Cliffs Gas Pool in Rio Arriba, San Juan and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 1 WEST, NMPM

Section 19: SW/4  
Section 30: W/2  
Section 31: NW/4

TOWNSHIP 23 NORTH, RANGE 2 WEST, NMPM

Section 24: S/2

TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM

Section 2: N/2  
Section 3: N/2  
Section 4: NE/4

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM

Section 14: W/2  
Sections 15, 16, & 17: All  
Section 21: N/2  
Section 22: N/2

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 3: SE/4  
Section 26: S/2 and NW/4  
Section 27: All  
Section 28: E/2  
Section 33: E/2  
Sections 34 & 35: All  
Section 36: SW/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM

Section 14: NW/4  
Section 24: All

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM

Section 34: NW/4

TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM

Section 8: SE/4

TOWNSHIP 28 NORTH, RANGE 6 WEST, NMPM

Section 25: SE/4

Section 36: E/2

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM

Section 19: W/2

Section 30: NW/4

TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM

Section 11: E/2

Section 12: All

Section 13: All

Section 14: NE/4

Section 24: NE/4

(p) That the Bloomfield Chacra Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 22 NORTH, RANGE 10 WEST, NMPM

Sections 15 & 16: All

Section 17: SE/4

Section 22: NW/4

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 14: W/2

Section 15: E/2

Section 22: E/2

Section 23: W/2

Section 25: N/2

Section 26: W/2

Section 27: NE/4 and S/2

Section 34: All

Section 35: W/2 and SE/4

(q) That the Cha Cha Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 15 WEST, NMPM

Section 11: E/2

Section 12: S/2 and NW/4

Section 14: N/2

(r) That the Chacon Dakota Associated Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM

Section 1: W/2

Section 2: E/2

TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM

Section 3: NE/4

Section 11: NW/4

Section 23: SE/4

Section 35: SE/4

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 16: SW/4

Section 17: SE/4

Section 21: All

Section 22: SW/4

Section 27: W/2 and SE/4

Section 28: E/2

Section 34: E/2

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(s) That the Escrito Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM  
Section 28: S/2 NE/4  
Section 35: W/2 NW/4

(t) That the Flora Vista Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM  
Section 3: W/2

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM  
Section 34: W/2

(u) That the Flora Vista Gallup Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM  
Section 1: SW/4  
Section 2: SE/4

(v) That the Fulcher Kutz Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM  
Section 16: W/2

(w) That the Gallegos Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12, WEST, NMPM  
Section 23: E/2 NE/4

(x) That the Gavilan-Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 1 WEST, NMPM  
Section 6: SW/4

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM  
Section 9: NW/4

(y) That the Gobernador Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 5 WEST, NMPM  
Section 31: SE/4

(z) That the Gonzales Mesa Verde Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM  
Section 30: SE/4  
Section 31: NE/4

(aa) That the West Kutz Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM  
Section 19: S/2

(bb) That the Kutz Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM  
Section 4: NW/4 NE/4

(cc) That the West Kutz Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM  
Section 32: NE/4

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM  
Section 9: W/2  
Section 16: NW/4

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM  
Section 20: SE/4

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM  
Section 18: SW/4  
Section 19: N/2

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM  
Section 13: All  
Section 24: N/2

(dd) That the South Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM  
Section 27: N/2 S/2

(ee) That the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM  
Section 7: N/2  
Section 8: W/2  
Section 17: NE/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM  
Section 4: All  
Section 8: S/2  
Section 10: NW/4 and SE/4  
Section 14: NW/4  
Section 15: NE/4  
Section 25: SE/4

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM  
Section 13: SW/4  
Section 21: NW/4  
Section 23: E/2  
Section 24: N/2  
Section 26: E/2  
Section 31: W/2

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM  
Section 35: SE/4  
Section 36: S/2

(ff) That the South Los Pinos Fruitland-Pictured Cliffs Gas Pool in San Juan County, New Mexico as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 7 WEST, NMPM  
Section 25: S/2  
Section 32: SE/4  
Section 33: NE/4



(gg) That the Lybrook Gallup Oil Pool in Sandoval, San Juan, and Rio Arriba Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM

Section 6: E/2 SW/4

Section 7: NE/4 NW/4

TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM

Section 1: W/2 SW/4 and SW/4 NW/4

Section 6: NW/4 and W/2 NE/4 and SE/4 NE/4

Section 8: NE/4 and N/2 SE/4

Section 12: NW/4 NW/4

Section 14: W/2

Section 15: N/2 NE/4

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM

Section 29: SW/4 SE/4

Section 30: S/2 S/2

Section 31: All

Section 32: W/2 E/2

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 23: S/2 S/2

Section 25: W/2 NW/4 and SW/4 and S/2 SE/4

Section 26: E/2 NE/4

Section 36: All

(hh) That the Miguel Creek Gallup Oil Pool in McKinley County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 16 NORTH, RANGE 6 WEST, NMPM

Section 20: E/2 SE/4

Section 28: NW/4 NW/4

Section 29: E/2 NE/4 and NW/4 NE/4

(ii) That the Nageezi Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 8 WEST, NMPM

Section 5: W/2

Section 6: N/2

Section 8: NE/4

Section 9: W/2 and NE/4

Section 16: NW/4

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 32: All

(jj) That the Otero Chacra Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM

Section 4: N/2

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM

Section 28: W/2

Sections 29 & 30: All

Section 32: NW/4 and E/2

Section 33: W/2 and SE/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 22: NE/4

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM

Section 5: NE/4

Section 9: All

Section 10: SW/4

Examiner Hearing - Wednesday - December 16, 1981

(kk) That the Otero Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM

Section 1: W/2 NW/4 and SE/4 NE/4

Section 2: N/2 NE/4

(ll) That the Pajarito Pennsylvanian Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 17 WEST, NMPM

Section 31: NW/4 NE/4

(mm) That the Pinon Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 16: W/2

Section 17: E/2

(nn) That the North Pinon Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM

Section 33: W/2

(oo) That the Rusty Chacra Gas Pool in Sandoval County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 21 NORTH, RANGE 6 WEST, NMPM

Section 4: SW/4

Section 5: S/2 and NW/4

Section 6: All

Section 7: NW/4

Section 9: W/2

TOWNSHIP 22 NORTH, RANGE 6 WEST, NMPM

Section 17: SW/4

Section 18: NW/4 and SE/4

Section 20: NW/4 and SE/4

Section 27: SW/4

Section 28: S/2

Section 29: S/2

Section 30: NW/4 and SE/4

Section 31: E/2

Section 32: W/2 and NE/4

Section 34: N/2

Section 35: N/2 and SE/4

Section 36: SW/4

TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM

Section 10: W/2

Section 11: NW/4

Section 12: SW/4

Section 17: S/2

Section 27: S/2 and NW/4

Section 28: E/2

Section 34: NE/4

(pp) That the Tapacito Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM

Section 5: SW/4

Section 6: SE/4

Section 9: SW/4

Section 16: N/2 and SE/4

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM

Section 3: All  
 Section 4: E/2 and NW/4  
 Section 5: NE/4  
 Section 9: NE/4  
 Section 10: N/2

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM

Section 31: NW/4  
 Section 32: S/2

(qq) That the Ute Dome Dakota Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPM

Section 26: SE/4  
 Section 34: NE/4

(rr) That the WAW Fruitland Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 25: S/2  
 Section 26: SE/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM

Section 4: SE/4  
 Section 10: S/2

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM

Section 30: NW/4

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM

Section 4: SW/4  
 Section 5: S/2  
 Section 7: NE/4  
 Section 8: All  
 Section 9: W/2 and SE/4  
 Section 16: N/2  
 Section 17: NE/4

CASE 7447: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning a discovery allowable, contracting, and extending certain pools in Chaves, Eddy, Lea and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the Draper Mill-Upper Pennsylvanian Gas Pool with vertical limits defined as from the top of the Pennsylvanian formation at 14,128 feet to the top of the Morrow formation at 15,003 feet as found on log of discovery well the HNG Oil Company Vaca Draw 16 State Well No. 1 located in Unit E of Section 16, Township 25 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM

Section 16: W/2

(b) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for Pennsylvanian production and designated as the Dora-Pennsylvanian Pool. The discovery well is Enserch Exploration Inc. Annie Harvey Well No. 1 located in Unit J of Section 6, Township 5 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM

Section 6: SE/4

(c) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Montoya production and designated as the Lightcap Montoya Gas Pool. The discovery well is Aikman Petroleum, Inc. Sanders Well No. 1 located in Unit E of Section 8, Township 8 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM

Section 8: W/2

(d) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production and designated as the Loving-Cherry Canyon Pool. Further, to assign approximately 18,240 barrels of discovery allowable to the discovery well, the Pogo Production Company NEL Well No. 2 located in Unit I of Section 9, Township 23 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM

Section 9: SE/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the Midway-Strawn Pool. The discovery well is David Fasken Consolidated State Well No. 2 located in Unit A of Section 8, Township 17 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM

Section 8: NE/4

(f) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and designated as the Pecos Slope-Abo Gas Pool. The discovery well is Yates Petroleum Corporation Federal HY Well No. 2 located in Unit O of Section 33, Township 7 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 4 SOUTH, RANGE 24 EAST, NMPM

Section 35: SE/4

Section 36: S/2

TOWNSHIP 4 SOUTH, RANGE 25 EAST, NMPM

Section 31: SW/4

TOWNSHIP 5 SOUTH, RANGE 24 EAST, NMPM

Section 1: All

Section 2: E/2 and SW/4

Section 9: SE/4

Section 10: All

Section 11: All

Section 12: All

Section 13: All

Section 14: All

Section 15: All

Section 16: E/2

Section 21: E/2

Section 22: All

Section 23: All

Section 24: All

Section 25: All

Section 26: All

Section 27: All

Section 28: E/2

Section 31: S/2

Section 32: S/2

Section 33: E/2 and SW/4

Section 34: All

Section 35: All

Section 36: All

TOWNSHIP 5 SOUTH, RANGE 25 EAST, NMPM

Section 6: W/2

Section 7: NW/4

Section 31: W/2 and SE/4

Section 32: S/2

TOWNSHIP 6 SOUTH, RANGE 24 EAST, NMPM  
 Section 1: All

TOWNSHIP 6 SOUTH, RANGE 25 EAST, NMPM  
 Section 1 thru Section 36: All

TOWNSHIP 7 SOUTH, RANGE 25 EAST, NMPM  
 Section 1: All  
 Section 2: All  
 Section 3: All  
 Section 4: All  
 Section 5: All  
 Section 6: E/2  
 Section 7: N/2  
 Section 8: All  
 Section 9: All  
 Section 10: All  
 Section 11: All  
 Section 12: All  
 Section 13: N/2 and SE/4  
 Section 14: N/2  
 Section 15: N/2  
 Section 16: All  
 Section 17: All  
 Section 20: N/2  
 Section 21: All  
 Section 28: All  
 Section 33: All

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPM  
 Section 18: S/2

(g) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and designated as the West Pecos Slope-Abo Gas Pool. The discovery well is Mesa Petroleum Company Rock Federal Well No. 1 located in Unit J of Section 7, Township 8 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 22 EAST, NMPM  
 Section 12: NW/4 and E/2  
 Section 13: E/2

TOWNSHIP 8 SOUTH, RANGE 23 EAST, NMPM  
 Section 6: S/2  
 Section 7: All  
 Section 8: S/2  
 Section 18: N/2 and SW/4

(h) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring Oil production and designated as the Red Bluff-Bone Spring Pool. The discovery well is MCW Exploration, Inc. Dorstate Well No. 1 located in Unit H of Section 27, Township 25 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 28 EAST, NMPM  
 Section 27: NE/4

(i) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Willow Lake-Bone Spring Pool. The discovery well is Maddox Energy Corporation Union Federal well no. 1 located in Unit H of Section 33, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM  
 Section 33: NE/4

(j) ~~CONTRACT~~ the vertical limits of the North Shoebar Pennsylvanian Pool in Lea County, New Mexico, to the Strawn formation only and redesignate pool to the Northwest Shoebar-Strawn Pool. Said pool described as:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
Section 15: SE/4

(k) ~~EXTEND~~ the Avalon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM  
Section 28: S/2  
Section 29: E/2  
Section 32: E/2

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM  
Section 2: Lots 9, 10, 15, 16, and  
SE/4

(l) ~~EXTEND~~ the South Ball Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM  
Section 13: E/2

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM  
Section 17: All

(m) ~~EXTEND~~ the Bunting Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM  
Section 30: S/2  
Section 31: N/2

(n) ~~EXTEND~~ the West Burton Flat-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 30: E/2

(o) ~~EXTEND~~ the South Culebra Bluff-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 25: N/2 SW/4 and NW/4  
Section 26: NE/4 and S/2  
Section 27: S/2 SE/4

(p) ~~EXTEND~~ the Diamond Mound-Morrow Gas Pool in Chaves County, New Mexico to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM  
Section 35: N/2

(q) ~~EXTEND~~ the Gem-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
Section 36: E/2

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM  
Section 31: NW/4

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

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM  
Section 14: NE/4

(s) EXTEND the North Loving-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 30: E/2

(t) EXTEND the South Millman-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM  
Section 30: N/2

(u) EXTEND the West Nadine-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM  
Section 8: SE/4  
Section 9: SW/4

(v) EXTEND the Nadine-Drinkard-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM  
Section 22: NE/4

(w) EXTEND the Oil Center-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM  
Section 11: E/2 SW/4

(x) EXTEND the Oil Center-Glorieta Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM  
Section 11: NE/4

(y) EXTEND the Penasco Draw-San Andres-Yeso Associated Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM  
Section 35: S/2 NE/4 and SE/4  
Section 36: S/2

(z) EXTEND the Robina Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM  
Section 6: E/2  
Section 7: E/2

(aa) EXTEND the Sawyer-San Andres Associated Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM  
Section 36: NE/4

(bb) EXTEND the North Shoobar-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
Section 15: SE/4

(cc) EXTEND the Tomahawk-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM  
Section 36: SW/4

(dd) EXTEND the Townsend-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
Section 23: N/2

(ee) EXTEND the Turkey Track-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM  
Section 22: S/2  
Section 27: All  
Section 34: E/2  
Section 35: W/2

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 2: N/2  
Section 3: All

(ff) EXTEND the Twin Lakes-San Andres Associated Pool in Chaves County, New Mexico to include therein:

TOWNSHIP 9 SOUTH, RANGE 29 EAST, NMPM  
Section 7: NE/4



LAW OFFICES

HINKLE, COX, EATON, COFFIELD & HENSLEY

W. E. BONDURANT, JR.  
(1914-1973)

OF COUNSEL

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\*NOT LICENSED IN  
NEW MEXICO

January 29, 1982

Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Cause No. 7448  
Energy Reserves Group, Inc.

Gentlemen:

Enclosed herewith is original and one copy of First Amended Application which we request that you please file.

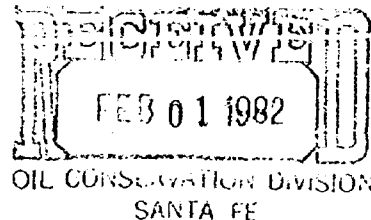
Thank you for your cooperation in the matter.

Yours very truly,

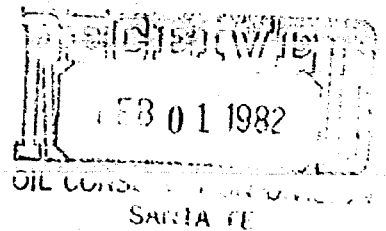
HINKLE, COX, EATON, COFFIELD  
& HENSLEY

*T. Calder Ezzell, Jr.*  
T. Calder Ezzell, Jr.

TCE:jb  
Enclosure



BEFORE THE OIL CONSERVATION DIVISION  
STATE OF NEW MEXICO



APPLICATION OF ENERGY )  
RESERVES GROUP, INC. )  
FOR THE CREATION OF A )  
NEW POOL DUE TO DISCOVERIES ) No. 7448  
IN THE CISCO FORMATION IN )  
SECTIONS 12 AND 13, TOWNSHIP )  
6 SOUTH, RANGE 33 EAST, )  
N.M.P.M., ROOSEVELT COUNTY, )  
NEW MEXICO. )

FIRST AMENDED APPLICATION

COMES NOW Energy Reserves Group, Inc., acting by and through the undersigned attorneys, and hereby makes application for the creation of a new associated pool and special pool rules due to discoveries in the Cisco formation in the Miller Com No. 1-Y well located in the SW $\frac{1}{4}$  Section 12 and the Crume No. 1 well located in the NW $\frac{1}{4}$  Section 13, Township 6 South, Range 33 East, N.M.P.M., Roosevelt County, New Mexico and in support thereof respectfully shows:

1. That Applicant has recently completed its Miller Com No. 1-Y well in the Cisco formation capable of producing gas in paying quantities located 660 feet from the South line and 660 feet from the West line of Section 12, Township 5 South, Range 33 East, and has completed its Crume No. 1 well in the Cisco formation as a well capable of producing gas in paying quantities located 1980 feet from the West line and 660 feet from the North line, Section 13, Township 6 South, Range 33 East.

2. From geological and engineering information available, Applicant feels that the two above-referenced wells are producing from a common source of supply, and that this source of supply is in communication with the productive horizons of the Cisco formation in the South Peterson Penn Pool.

3. From said geological and engineering information, Applicant feels that the following described lands are reasonably proven to be productive of gas in paying quantities from the Cisco formation and should be added to those lands currently located within the limits of the South Peterson Penn Pool and, together with these lands, should be included in the original definition of the new associated pool to be created because of said discoveries:

Township 5 South, Range 33 East, N.M.P.M.

Section 30: NW $\frac{1}{4}$

Township 6 South, Range 33 East, N.M.P.M.

Section 11: S $\frac{1}{4}$

Section 12: S $\frac{1}{4}$

Section 13: NE $\frac{1}{4}$

4. That special pool rules should be established for the new associated pool providing for 40 acre spacing units for oil wells and 320 acre spacing units for gas wells, for the 4000 to 1 (4000:1) gas-oil ratio limitation.

5. That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells and to otherwise prevent waste and protect correlative rights, Applicant hereby requests the creation of the new associated pool to be designated the South Peterson Penn Associated Pool, for production from the Cisco formation in the above described lands, together with those lands currently within the limits of the South Peterson Penn Pool.

6. Applicant requests that the case be included on the Examiner's Docket for February 3, 1982.

Respectfully submitted,

ENERGY RESERVES GROUP, INC.

By T. Calder Ezzell, Jr.  
Hinkle, Cox, Eaton, Coffield  
& Hensley  
T. Calder Ezzell, Jr.  
Attorneys for Applicant  
P. O. Box 10  
Roswell, New Mexico 88201

7448

Caulder Ezell Road

C S Peterson Penn Associated Dec 1 effective

H/13 NW 1/4

S/2-1/2 NW 30 5:33 e  
N/2-1/2 NW 30 6:33 e

NW 1/4 30 5:53 33 E

4000 GOR

40 acre oil -

320 acre gas -

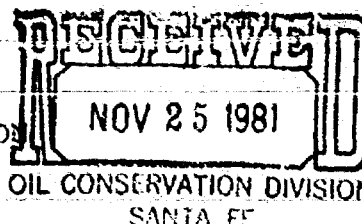
would like entire S/2 Sec 11 in pool

Willard R. Green Expl Mgr

? Similar to

## BEFORE THE OIL CONSERVATION DIVISION

STATE OF NEW MEXICO



APPLICATION OF ENERGY  
RESERVES GROUP, INC.  
FOR THE CREATION OF A  
NEW POOL DUE TO DISCOVERIES  
IN THE CISCO FORMATION  
IN SECTION 12 AND 13,  
TOWNSHIP 6 SOUTH, RANGE 33  
EAST, N.M.P.M., ~~EDDY~~ COUNTY,  
NEW MEXICO. *Roosevelt*

No. 7448

COMES NOW Energy Reserves Group, Inc., acting by and through the undersigned attorneys, and hereby makes application for the creation of a new pool due to discoveries in the Cisco formation in the Miller Com No. 1-Y Well located in the SW $\frac{1}{4}$  Section 12 and the Crume No. 1 Well located in the NW $\frac{1}{4}$  Section 13, Township 6 South, Range 33 East, N.M.P.M., Roosevelt County, New Mexico, and in support thereof respectfully shows:

1. That Applicant has recently completed its Miller Com 1-Y well in the Cisco formation capable of producing gas in paying quantities located 660 feet from the South line and 660 feet from the West line of Section 12, Township 6 South, Range 33 East, and has completed its Crume No. 1 Well in the Cisco formation as a well capable of producing gas in paying quantities located 1980 feet from the West line and 660 feet from the North line, Section 13, Township 6 South, Range 33 East.

2. From the geological information available, Applicant feels that the two above-referenced wells are producing from a common source of supply, and that this source of supply is separate and distinct from the productive horizons in the Cisco formation in the South Peterson Penn Pool.

3. From said geological information available, Applicant feels that the following described lands are reasonably proven to be productive of gas in paying quantities from the Cisco formation and should be included in the original definition of the new pool to be created because of said discoveries: Township 6 South, Range 33 East, N.M.P.M.  
Section 12 - S $\frac{1}{2}$   
Section 13 - N $\frac{1}{2}$

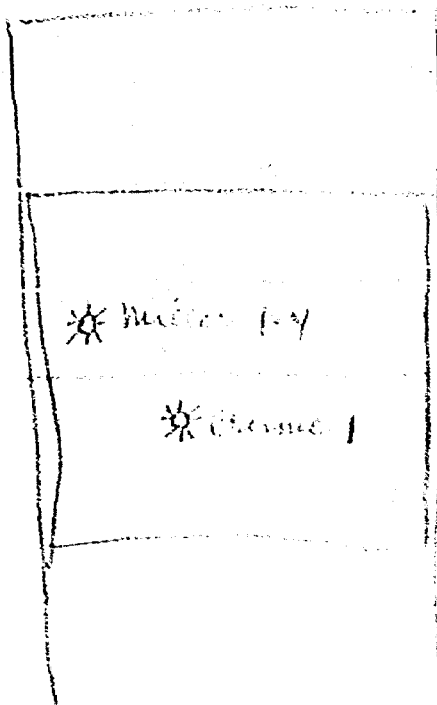
4. In order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells and to otherwise prevent waste and protect correlative rights, the Applicant hereby requests the creation of a new gas pool for the production from the Cisco formation in the above described lands. It is proposed to dedicate the Miller Com No. 1-Y well to the S $\frac{1}{2}$  Section 12 and the Crume No. 1 well to the N $\frac{1}{2}$  Section 13.

5. Applicant requests that this case be included on the Examiners' docket for December 16, 1981.

Respectfully submitted,

ENERGY RESERVES GROUP, INC.

By T. Calder Ezzell, Jr.  
Hinkle, Cox, Eaton, Coffield & Hensley  
T. Calder Ezzell, Jr.  
Attorneys for Applicant  
P. O. Box 10  
Roswell, New Mexico 88201



HEAR  
DICK

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

*GR*  
IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

*J*  
CASE NO. 7448

*JMS*  
Order No. R-5353-I

APPLICATION OF ENERGY RESERVES  
GROUP, INC. FOR CREATION OF A NEW  
ASSOCIATED POOL AND SPECIAL POOL  
RULES, ROOSEVELT COUNTY, NEW MEXICO.

*WPP*

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 3,  
1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this \_\_\_\_\_ day of February, 1982, the Division  
Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Energy Reserves Group, Inc., seeks the creation of a new associated pool to be designated the South Peterson-Pennsylvanian Associated Pool, comprising the NW/4 of Section 30, Township 5 South, Range 33 East, the S/2 of Section 11, the S/2 of Section 12, and the N/2 of Section 13, Township 6 South, Range 33 East.

(3) That the applicant further seeks the establishment of special pool rules for said South Peterson-Pennsylvanian Associated Pool including 40-acre spacing units for oil wells and 320-acre spacing units for gas wells and a 4000 to one gas-oil ratio limitation.

(4) That the proposed pool creation is in fact a reclassification of the existing South Peterson-Pennsylvanian (oil) Pool as an associated pool.

(5) That the evidence presently available indicates that said South Peterson-Pennsylvanian <sup>Pool</sup> should be reclassified as an associated pool. <sub>1</sub>

(6) That the evidence available at the time of the hearing indicates that said South Peterson-Pennsylvanian <sup>Associated</sup> Pool may be efficiently and economically developed by oil wells on 40-acre spacing and proration units and by gas wells on 320-acre spacing and proration units.

(7) That the South Peterson-Pennsylvanian Pool as



heretofore defined and described in Roosevelt County, New Mexico, should be expanded to include the following described acreage:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM

Section 30: NW/4

TOWNSHIP 6 SOUTH, RANGE 34 EAST, NMPM

Section 11: S/2

Section 12: N/2 S/2

Section 13: N/2

(8) That the proposed South Peterson-Pennsylvanian Associated Pool may be produced at a limiting gas-oil ratio of 4,000 to one without waste and such limitation should be adopted.

(9) That the effective date of this order and of the pool extension, pool reclassification, and special pool rules contained herein should be December 1, 1981.

(10) That approval of the subject application will prevent waste and will not cause violation of correlative rights.

IT IS THEREFORE ORDERED:

(1) That effective December 1, 1981, the South Peterson-Pennsylvanian Pool in Roosevelt County, New Mexico, is hereby reclassified as an associated pool and redesignated the South Peterson-Pennsylvanian Associated Pool.

(2) That said South Peterson-Pennsylvanian Associated Pool shall be governed by the General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico, promulgated by Order No. R-5353, insofar as said General Rules and Regulations are not inconsistent with the Special Rules and Regulations for the subject pool as hereinafter set

forth, in which event the Special Rules shall apply.

SPECIAL RULES AND REGULATIONS

FOR THE

SOUTH PETERSON-PENNSYLVANIAN ASSOCIATED POOL

RULE 2. (a) A standard oil proration unit shall be 40 acres. A standard gas proration unit shall be 320 acres.

RULE 6. That the limiting gas-oil ratio shall be 4,000 cubic feet of gas for each barrel of oil produced.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the South Peterson-Pennsylvanian Associated Pool or in the Pennsylvanian formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs District Office of the Division in writing of the name and location of the well on or before April 1, 1982.

(2) That, pursuant to Paragraph A. of Section 70-2-18, N.M.S.A. 1978 Comp., contained in Laws 1969, Chapter 271, existing oil wells in the South Peterson-Pennsylvanian Associated Pool shall have dedicated thereto 40 acres and existing gas wells shall have dedicated thereto 320 acres in accordance with the foregoing pool rules; or, pursuant to Paragraph C. of said Section 70-2-18, existing wells may have non-standard spacing or proration units established by the Division and dedicated thereto.

Failure to file new Forms C-102 with the Division dedicating the appropriate acreage to a well or to obtain a non-standard unit approved by the Division within 60 days from the date of this order shall subject the well to cancellation of allowable. Until said Form C-102 has been filed or until a non-standard unit has been approved, and subject to said 60-day limitation, each well presently drilling to or completed in the South Peterson-Pennsylvanian Associated Pool or in the Pennsylvanian formation within one mile thereof shall receive no more than an 40-acre allowable for the pool.

(3) That the South Peterson-Pennsylvanian Associated Pool as heretofore defined and described in Roosevelt County, New Mexico, is hereby expanded to include the following described acreage:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM

Section 30: NW/4

TOWNSHIP 6 SOUTH, RANGE <sup>33</sup>~~36~~ EAST, NMPM

Section 11: S/2

Section 12: ~~N/2~~ S/2

Section 13: N/2

(4) That the effective date of this Order and of the pool reclassification, special pool rules and pool extension included herein shall be December 1, 1981.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

hereinabove designated.

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

JOE D. RAMEY,

DIRECTOR

S E A L

FILE 749: E. T. ROSS FOR NINE NON-  
STANDARD GAS PRODUCTION UNITS, HARDING  
COUNTY, NEW MEXICO

713-943-3546  
629-0451  
7/10/22