

Case No.

1355

Application, Transcript,
Small Exhibits, Etc.

CASE 1355:

NORTHWESTERN NEW MEXICO
NOMENCLATURE

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 1355

December 18, 1957

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE - SANTA FE
3-6691 2-2211

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Northwestern New Mexico nomenclature case calling for an order for the creation of a new pool and the extension of existing pools in San Juan and Rio Arriba Counties, New Mexico.

(a) Create a new oil pool for Gallup production, designated as the Gallegos-Gallup Oil Pool and described as:

Township 26 North, Range 11 West

Section 6: SW/4
Section 7: All
Section 8: S/2
Section 17: W/2
Section 18: All
Section 20: NW/4

Township 26 North, Range 12 West

Section 1: SE/4
Section 4: SW/4
Section 5: All
Section 6: NE/4
Section 8: E/2
All of Sections 9, 10, 11, 12, & 13
Section 14: E/2

Township 27 North, Range 12 West

Section 30: S/2
Section 31: N/2 & SE/4
Section 32: SW/4

Township 27 North, Range 13 West

Section 35: NE/4
Section 36: N/2

(b) Extend the Blanco Mesaverde Pool to include:

Township 26 North, Range 2 West

Section 7: All
Section 8: W/2

(c) Extend the Ballard-Pictured Cliffs Pool to include:

Township 26 North, Range 8 West

Section 5: SW/4

Section 8: W/2

(d) Extend the Otero-Pictured Cliffs Pool to include:

Township 23 North, Range 6 West

Section 1: N/2

Township 24 North, Range 4 West

Section 19: S/2

Township 24 North, Range 6 West

Section 14: S/2

(e) Extend the South Blanco-Pictured Cliffs Pool to include:

Township 25 North, Range 5 West

Section 1: N/2 & SE/4

Township 26 North, Range 5 West

Section 22: N/2

Section 25: All

Section 26: E/2

Section 35: NE/4

Section 36: All

Township 27 North, Range 6 West

Section 13: SW/4

Section 22: N/2

Section 23: N/2

Section 24: NW/4

Township 27 North, Range 7 West

Section 11: All

(f) Extend the Bisti-Lower Gallup Oil Pool to include:

Township 25 North, Range 11 West

Section 24: SE/4

(g) Extend the Verde-Gallup Oil Pool to include:

Township 31 North, Range 15 West

Section 13: S/2

Section 24: NE/4

Q. Yes, I have.

Q. Mr. Utz, what are your recommendations
regarding a new oil pool for drilling in the

Section 27: SW/4
Section 28: E/2 & SW/4

BEFORE:

A. L. Porter, Jr.
Murray Morgan

TRANSCRIPT OF HEARING

MR. PORTER: We will take up next, Case 1355.

MR. COOLEY: Case No. 1355. Northwestern New Mexico
nomenclature case.

(Witness sworn.)

ELVIS A. UTZ

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

DIRECT EXAMINATION

BY: MR. COOLEY:

Q Will you state your name and position please?

A Elvis A. Utz, engineer with the New Mexico Oil Conserva-
tion Commission.

Q Mr. Utz, in your official capacity for the New Mexico
Oil Conservation Commission, have you had an opportunity to make
a study of Northwestern New Mexico nomenclature?

A Yes, I have.

Q Mr. Utz, what are your recommendations concerning the
creation of a new oil pool for Gallup production designated as the

Gallegos-Gallup Oil Pool?

A In view of the fact that there appears to be somewhat of a disagreement as to whether or not this is all one continuous pool, and there are at least two opinions in this matter, I recommend it be dismissed and advertised at a later date, and that studies be made immediately to determine whether this is one pool or not. It appears that we may have a gas cap and it also appears that the gas cap may be a separate pool from the oil production. That, I think, should be determined as soon as possible.

Q Thank you. What are your recommendations concerning extension of the Blanco Mesaverde Pool?

A I recommend that the Blanco Mesaverde Gas Pool be extended as advertised on the basis of one well completed and capable of producing from that pool.

Q What are your recommendations concerning extension of the Ballard-Pictured Cliffs Pool?

A I recommend that the Ballard-Pictured Cliffs Gas Pool be extended as advertised on the basis of one well completed in this pool.

Q Do you have any recommendations concerning the extension of the Otero-Pictured Cliffs Pool?

A Yes, I recommend that the Otero-Pictured Cliffs Gas Pool be extended as advertised on the basis of four wells capable of producing from that pool?

Q And what are your recommendations concerning the

extension of the South Blanco-Pictured Cliffs Gas Pool?

A I likewise recommend that the South Blanco-Pictured Cliffs Gas Pool be extended as advertised on the basis of four wells completed and capable of producing from that pool.

Q Do you have any recommendations concerning the extension of the Bisti-Lower Gallup Oil Pool?

A Yes, sir, I recommend that the Bisti-Lower Gallup Oil Pool be extended as advertised on the basis of one well completed in that pool.

Q Do you have any recommendations concerning the extension of the Verde-Gallup Oil Pool?

A I also recommend that the Verde-Gallup Oil Pool be extended as advertised on the basis of three wells completed and capable of producing from that pool.

Q Do you have any further recommendations in this case, Mr. Utz?

A I do not. I have an exhibit which I have marked Case 1355, Exhibit 1, which shows my recommendations together with the wells on which those recommendations are based.

Q Was this exhibit prepared by you or under your supervision?

A It was prepared under my supervision.

MR. COOLEY: I offer at this time Exhibit No. 1 in Case 1355.

MR. PORTER: Without objection, it will be admitted.

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MR. COOLEY: That is all.

CROSS EXAMINATION

BY: MR. PORTER:

Q Mr. Utz, back on Paragraph B, how many wells did you say this extension is based on?

A That's the Blanco Mesaverde?

Q Yes, sir.

A One well.

MR. PORTER: Thank you. Does anyone have a question of Mr. Utz? If not, the witness may be excused.

(Witness excused.)

MR. PORTER: Does anyone have any statement to make concerning Case 1355?

For the benefit of anyone who may be interested, the Commission will dismiss Paragraph A of Case 1355 and take the balance of the case under advisement, and the hearing is recessed until tomorrow morning.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I, J. A. Trujillo, Court Reporter, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript under my personal supervision, and the same is a true and correct record to the best of my knowledge, skill and ability.

Witness my Hand and Seal, this 31st day of December, 1957, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Joseph A. Trujillo
COURT REPORTER

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1355
Order No. R-1106

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION UPON
ITS OWN MOTION FOR AN ORDER
CREATING AND EXTENDING CERTAIN
POOLS IN SAN JUAN AND RIO ARriba
COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
December 18, 1957, at Santa Fe, New Mexico, before the Oil Conserva-
tion Commission of New Mexico, hereinafter referred to as the "Com-
mission."

NOW, on this 30th day of December, 1957, the Commission,
a quorum being present, having considered the testimony presented
and the exhibits received at said hearing, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Commission has jurisdiction of this cause and the
subject matter thereof.

(2) That the proposed creation of a new pool in San
Juan County, New Mexico, for the production of oil from the Gallup
formation, advertised as the proposed Gallegos-Gallup Oil Pool,
should be dismissed pending further study.

(3) That there is need for certain extensions to the
Otero-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to the
Bisti-Lower Gallup Oil Pool and the Verde-Gallup Oil Pool, both in
San Juan County, New Mexico, and to the Blanco Mesaverde Pool, the
Ballard-Pictured Cliffs Pool, and the South Blanco-Pictured Cliffs
Pool, all in San Juan and Rio Arriba Counties, New Mexico.

IT IS THEREFORE ORDERED:

(a) That the proposed creation of a new pool in San Juan
County, New Mexico, for the production of oil from the Gallup forma-
tion, advertised as the Gallegos-Gallup Oil Pool, be and the same
is hereby dismissed.

(b) That the Blanco Mesaverde Pool in Rio Arriba and San
Juan Counties, New Mexico, as heretofore classified, defined, and
described, be and the same is hereby extended to include therein:

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TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM
Section 7: All
Section 8: W/2

(c) That the Ballard-Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 26 NORTH, RANGE 3 WEST, NMPM
Section 5: SW/4
Section 8: W/2

(d) That the Otero-Pictured Cliffs Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM
Section 1: N/2

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM
Section 19: S/2

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM
Section 14: S/2

(e) That the South-Blanco-Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Section 1: N/2 and SE/4

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Section 22: N/2
Section 25: All
Section 26: E/2
Section 35: NE/4
Section 36: All

TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM
Section 13: SW/4
Section 22: N/2
Section 23: N/2
Section 24: NW/4

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM
Section 11: All

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

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM
Section 24: SE/4

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(g) That the Verde-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 31 NORTH, RANGE 15 WEST, NMPM

Section 13: S/2

Section 24: NE/4

Section 27: SW/4

Section 28: E/2 and SW/4

IT IS FURTHER ORDERED:

That the effective date of this order and of all of the extensions included herein shall be January 1, 1958.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem

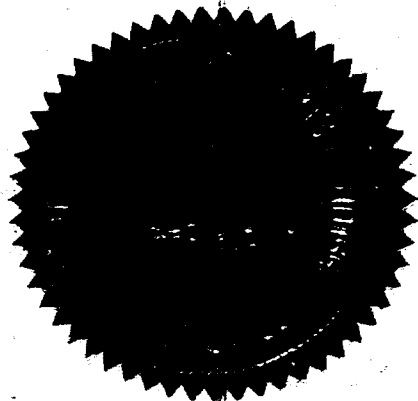
EDWIN L. MECHEM, Chairman

M. E. Morgan

MURRAY E. MORGAN, Member

A. L. Porter, Jr.

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



lr/

Recommended Extensions and Creations for the Regular
December 1957 Hearing

BLANCO PICTURED CLIFFS

✓ (b) Township 26N, Range 2 W, Rio Arriba County
Section 7, All
Section 8, W/2

based on:

Magnolia Petroleum #1 Cheney Federal
M-18-26N-2W
AOF 10,090 MCF; SITP 1716#

BALLARD PICTURED CLIFFS

✓ (c) Township 26N, Range 8W, San Juan County
Section 8, W/2
Section 5, SW/4

based on:

Southern Union #3 Newsom "B"
L-8-26N-8W
AOF 1417 MCF; SICP 649#/29 days

OTERO PICTURED CLIFFS

✓ (d) Township 23N, Range 6W, Rio Arriba County
Section 1/N/2

Township 24N, Range 4W, Rio Arriba County
Section 19, S/2

Township 24N, Range 6W, Rio Arriba County
Section 14, S/2

based on:

Hugh McMilland #1 Pipkin
C-1-23N-6W
IP 1385 MCF; SICP 670#

Humble Oil & Ref. #2 Jicarilla "D"
N-19-24N-4W
IP 637 MCF; SICP 515 #/7 days

Pubco Petroleum #1 Otero Federal
J-14-24N-6W
AOF 436 MCF; SICP 695#

Pubco Petroleum #2 Otero Federal
M-14-24N-6W
AOF 604 MCF; SICP 668#

SOUTH BLANCO PICTURED CLIFFS

✓ (e) Township 25N, Range 5W, Rio Arriba County
Section 1, N/2 & SE/4

Township 26N, Range 5W, Rio Arriba County
Section 22, N/2
Section 25, All
Section 26, E/2
Section 35, NE/4
Section 36, All

SOUTH BLANCO PICTURED OIL FDS (continued)

Township 27N, Range 6W, Rio Arriba County

Section 13, SW/4
Section 22, N/2
Section 23, N/2
Section 24, NW/4

Township 27N, Range 7W, Rio Arriba County

Section 11, All

based on:

EPNG #8 Jicarilla "F"
B-22-26N-5W
AOF 3895 MCF; SICP 1015#/9 days

EPNG #7 Jicarilla "F"
D-22-26N-5W
AOF 4740 MCF; SICP 1026#/21 days

EPNG #68 SJU 28-6
L-13-27N-6W
AOF 1767 MCF; SICP 1091#/10 days

EPNG #79 SJU 28-7
H-11-27N-7W; AOF 1619 MCF; SICP 1005#/7

BISTI LOWER GALLUP OIL POOL

✓ (4) Township 25N, Range 11W, San Juan County

Section 24, SE/4

based on:

Magnolia #1 Deet-So-Sa
O-24-25N-11W
IP 142 BOPD

VERDE GALLUP OIL POOL

✓ (8) Township 31N, Range 15W, San Juan Co.

Section 13, S/2
Section 24, NE/4
Section 27, SW/4
Section 28, E/2 & SW/4

based on:

C. M. Carroll #3 Ute
H-13-31N-15W
IP 180 BOPD

Southern Union #2-24Ute
A-24-31N-15W
IP 312 BOPD

Pan-American #1 Ute "C"
L-27-31N-15W
IP 91 BOPD

(a)

CREATION OF A NEW POOL IN SAN JUAN COUNTY FOR THE PRODUCTION OF OIL FROM THE GALLUP FORMATION AND TO BE KNOWN AS THE GALLEGOS GALLUP OIL POOL:

Township 26N, Range 11 W, San Juan Co.

Section 6, SW/4
Section 7, All
Section 8, S/2
Section 17, W/2
Section 18, All
Section 20, NW/4

Township 26N, Range 12W, San Juan County

Section 1, SE/4
Section 4, SW/4
Section 5, All
Section 6, NE/4
Section 8, E/2
Sections 9, 10, 11, 12, 13, All
Section 14, E/2

Township 27N, Range 12W.

Section 30, S/2
Section 31, N/2 and SE/4
Section 32, SW/4

Township 27N, Range 13W.

Section 35, NE/4
Section 36, N/2

Discovery Well:

EPNG #1 Sullivan "F"
N-32-27N-12W
IP 525 BOPD; 415 MCRPD,
Perf. 4950-5025

Gulf-Gallegos Fed. #1
G-31-27N-12W
IP 480 BOPD