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Case No.

2265

Application, Transcript,
and Exhibits, Etc.

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

RE. APPLICATION OF NASH, WINDFOHR & BROWN
FOR APPROVAL OF AN UNORTHODOX WELL LOCATION
IN SECTION 24, TOWNSHIP 17 SOUTH, RANGE 30
EAST, N.M.P.M., IN THE UNDESIGNATED FIELD.

Case No. 2265

A P P L I C A T I O N

COMES NOW Nash, Windfohr and Brown, a partnership, by its attorneys, Watson and Watson, of Artesia, New Mexico, and makes application to the New Mexico Oil Conservation Commission, for approval of an unorthodox well location, and states:

1. That there is attached hereto, marked Exhibit "A" and made a part hereof, a Notice of Intention to Drill, which shows the location of said well, and the information with respect to the drilling of the well. That said well is the Nash, Windfohr and Brown - Jackson 23-B well on Federal Oil and Gas Lease Las Cruces 055264, in Unit J (NW $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 24, Township 17 South, Range 30 East, N.M.P.M., in Eddy County, New Mexico. That said lands are in an undesignated field as to the formation to be tested.

2. That said well is proposed to be drilled to a total depth of 7,050 feet beneath the surface of the land. to test the Abo Formation.

3. That Nash, Windfohr and Brown are the owners of all of the oil and gas leasehold estates within a radius of 660 feet of the proposed location and, further, that Nash, Windfohr and Brown are the owners of Government Oil and Gas Lease Las Cruces 055264, which covers all of said Section 24, Township 17 South, Range 30 East, N.M.P.M., and also covers the N $\frac{1}{2}$ of Section 25, Township 17 South, Range 30 East, N.M.P.M., and are also the owners of the oil and gas leasehold estate covering All of Section 13, Township 17 South, Range 30 East, N.M.P.M., and all of the E $\frac{1}{2}$ of Section 23 in said Township and Range, except the S $\frac{1}{2}$ SE $\frac{1}{4}$ of said Section 23.

*fracture
only*

4. That application is made for approval of said unorthodox location, by reason of the fact the Abo Formation in the area is very narrow and said location is recommended on the basis of the available information, as being the location most likely to be productive of oil in said subdivision.

5. That said location has been approved for drilling by the United States Geological Survey.

6. That there is attached hereto and marked Exhibit "B", a plat showing the proposed location and the formation.

WHEREFORE, applicant prays that the drilling of said Nash, Windfohr and Brown - Jackson 23-B Well at the location above set forth be granted and that all necessary and proper Orders and Notices be made and issued in the premises.

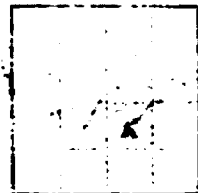
NASH, WINDFOHR AND BROWN

by

Neil B. Watson

Neil B. Watson,
Watson and Watson,
Attorneys for Applicant,
P. O. Drawer E,
Artesia, New Mexico.

EXHIBIT "A"



(SUBMIT IN TRIPLICATE)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

Land Office **Las Cruces**
Lease No. **07586**
Unit **Jackson 3**

RECEIVED
MAR 23 1961

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL	SUBSEQUENT REPORT OF WATER SHUT-OFF
NOTICE OF INTENTION TO CHANGE PLANS	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING
NOTICE OF INTENTION TO TEST WATER SHUT-OFF	SUBSEQUENT REPORT OF ALTERING CASING
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL	SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR
NOTICE OF INTENTION TO SHOOT OR ACIDIZE	SUBSEQUENT REPORT OF ABANDONMENT
NOTICE OF INTENTION TO PULL OR ALTER CASING	SUPPLEMENTARY WELL HISTORY
NOTICE OF INTENTION TO ABANDON WELL	

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

March 21

19 61

Well No. **23-B** is located **1420** ft. from **S** line and **1980** ft. from **E** line of sec. **24**

RN/6 84/6
(1/4 Sec. and Sec. No.)

17S-30E
(Twp.) (Range)

106W
(Meridian)

Cedar Lake Area 4
(Field)

El Paso
(County or Subdivision)

New Mexico
(State or Territory)

The elevation of the derrick floor above sea level is _____ ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

We request approval to drill Jackson 23-B to approximately 7,050 feet to test the Abo. We propose to set 1,650 feet of 8-1/8" 24#, cementing to surface, and propose to set 4-1/2" casing on bottom at 7,000-7,050 and cement it with 700 sacks. The well will be drilled with rotary, and the contractor will be Great Western Drilling Company, Midland, Texas.

NOTE: You will notice this well is an unorthodox location made solely for the purpose of attempting to locate crust of reef. Formal application for approval of this location has been made to Mr. Porter of the Conservation Commission at Santa Fe, and Mr. Oliver Fain has replied that we may proceed with the drilling of the well, but that no allowance shall be assigned the well until our application has been formally acted upon. No property rights are involved since the working interest on all adjoining 40s are owned by Nash, Windfohr and Brum and since all of the royalty is owned by the United States of America and since there are no overriding royalty owners.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced

Company **Nash, Windfohr and Brum**

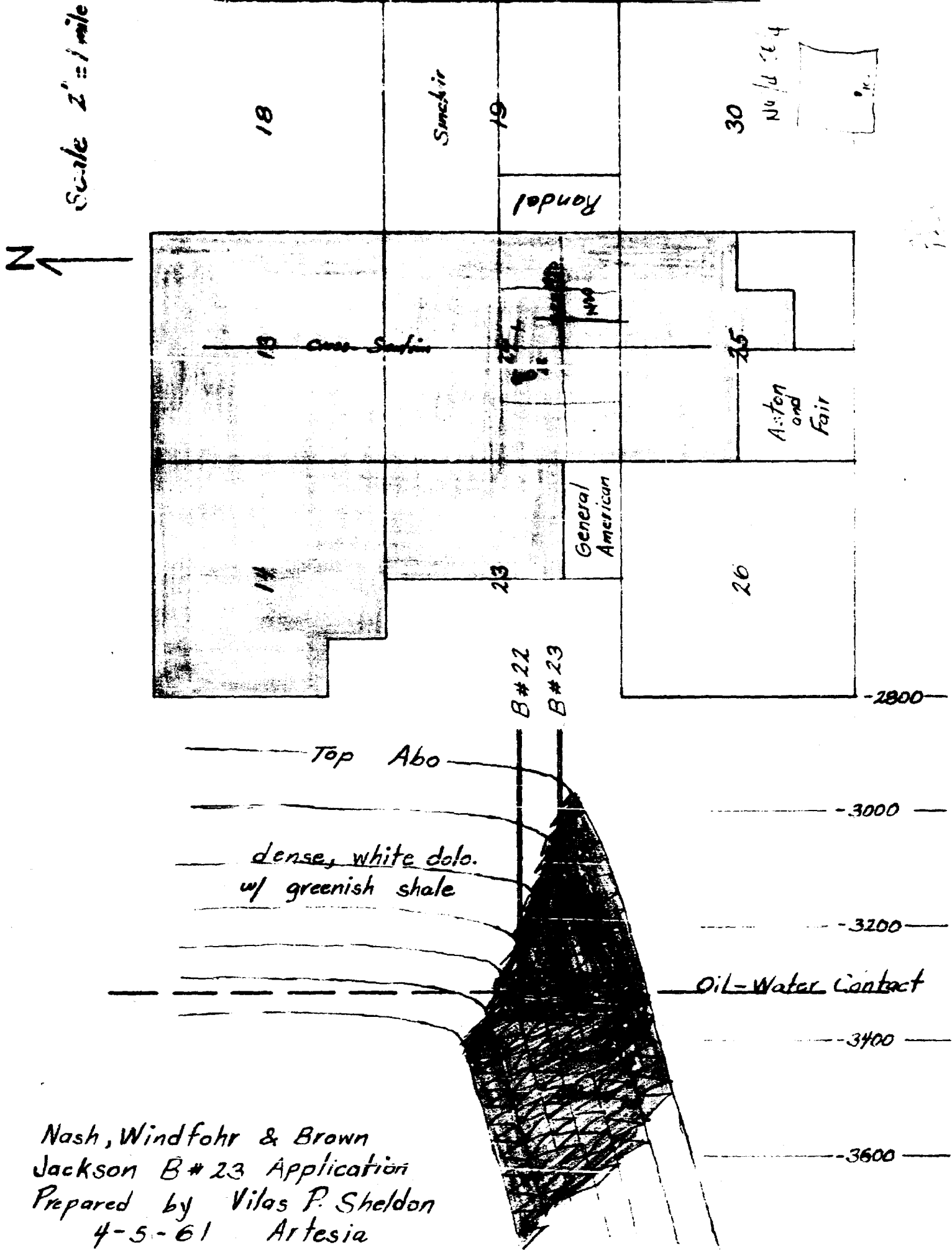
Address **1107 Continental Life Building**

Fort Worth, Texas

By _____

Title **A. F. Windfohr, Partner**

EXHIBIT "B"



NEIL B. WATSON
FRED A. WATSON

LAW OFFICES
WATSON & WATSON
CARPER BUILDING - P.O. BOX 200
ARTESIA, NEW MEXICO

Drawer E

TELEPHONE
SHERWOOD 8-4151

April 8, 1961

Oil Conservation Commission,
P. O. Box 671,
Santa Fe, New Mexico.

Attention: Mr. Oliver E. Payne

Dear Mr. Payne:

Re: Nash, Windfohr and Brown - Jackson
23-B Well, Unorthodox Location,
Section 24, Township 17 South, Range
30 East, N.M.P.M.

As provided by the Regulations, I am enclosing, in triplicate,
an Application for the unorthodox well location, and trust that
you find the Application satisfactory.

Will you please issue and publish the required Notice and, as
I understand it, the matter can be set for hearing at Santa Fe
on May 4, 1961. I would appreciate it if you would confirm the
date and advise if the Application is satisfactory. If there
is anything else you need, please let me know so that I will
have time to get anything additional to your office by
April 14, 1961.

Thank you very much for your cooperation.

Yours very truly,

Neil B. Watson
Neil B. Watson.

NBW:lve
enc.

cc :Nash, Windfohr and Brown

*Docketed
27 filed
4-21-61
JL*

Case 7265

*set for
hearing*

DOCKET: EXAMINER HEARING - THURSDAY, MAY 4, 1961

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, as alternate examiner:

CONTINUED CASE

CASE 2234: Application of Kay Kimbell for an order force-pooling a 320-acre gas proration unit in the Basin-Dakota Pool. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Basin-Dakota Pool in the E/2 of Section 22, Township 29 North, Range 11 West, San Juan County, New Mexico, including those of Roy L. Cook as lessee and various other parties as lessors in the E/2 NW/4 NE/4 of said Section 22.

NEW CASES

CASE 2261: Application of Continental Oil Company for two non-standard gas proration units. Applicant, in the above-styled cause, seeks the establishment of a 480-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the S/2 and the NE/4 of Section 24, Township 20 South, Range 37 East, Lea County, New Mexico. Said unit is to be dedicated to the SEMU Eumont Well No. 67, located 1980 feet from the South and West lines of said Section 24.

Applicant further seeks the establishment of a 480-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the NW/4 of Section 24, and the SE/4, the SW/4 NE/4, the S/2 SW/4 and the NW/4 SW/4 of Section 13, all in Township 20 South, Range 37 East, Lea County, New Mexico. Said unit is to be dedicated to the SEMU Eumont Well No. 69, located 1980 feet from the North and West lines of said Section 24.

CASE 2262: Application of V. S. Welch for an unorthodox oil well location. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location in the Culwin-Yates Pool for a well to be drilled at a point 330 feet from the South line and 2590 feet from the West line of Section 29, Township 18 South, Range 31 East, Eddy County, New Mexico.

CASE 2263: Application of Collier Drilling Company for an exception to Rule 309 (a). Applicant, in the above-styled cause, seeks an exception to Rule 309 (a) to permit the transportation of oil from the Western Yates Lease, comprising the SE/4 NW/4 of Section 20, Township 18 South, Range 28 East, Eddy County, New Mexico, to a separate tank battery located on its Amerada Lease, comprising the NE/4 NW/4 of said Section 20.

CASE 2264: Application of United States Smelting Refining and Mining Company for an oil-gas dual completion and for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks authorization to dually complete its Federal 11-20-34 Well No. 1, located 1980 feet from the North line and 2130 feet from the West line of Section 11, Township 20 South, Range 34 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Bone Springs formation adjacent to the Lea-Bone Springs Pool and the production of gas from an undesignated Pennsylvanian pool through parallel strings of 2-inch tubing.

Applicant further proposes to commingle the production from both of said pools in said well after metering only the Pennsylvanian pool production.

CASE 2265: Application of Nash, Windfohr and Brown for an unorthodox well location. Applicant, in the above-styled cause, seeks approval of an unorthodox location in an undesignated Abo pool for its Jackson Federal Well No. 23-B, located 1420 feet from the South line and 1980 feet from the East line of Section 24, Township 17 South, Range 30 East, Eddy County, New Mexico.

CASE 2266: Application of Nearburg & Ingram for permission to commingle the production from two separate leases, and from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle, after separate measurement, the Southwest Gladiola-Pennsylvanian Pool production from all wells on its Keating lease, comprising the NE/4 of Section 34 with Southwest Gladiola-Pennsylvanian and Southwest Gladiola-Devonian production from all wells on its Midhurst Lease, comprising the NW/4 of Section 35, all in Township 12 South, Range 37 East, Lea County, New Mexico.

CASE 2267: Application of Byard Bennett for permission to institute a waterflood project in the Caprock-Queen Pool, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a waterflood project in the Caprock-Queen Pool in an area comprising the E/2 SE/4 of Section 20 and the SW/4 of Section 21, all in Township 14 South, Range 31 East, Chaves County, New Mexico, by the injection of water into the Stella Zimmerman Well No. 2, located in the SE/4 SE/4 of said Section 20.

CASE 2268: Application of Humble Oil & Refining Company for an exception to Rule 303 (a). Applicant, in the above-styled cause, seeks an exception to Rule 303 (a) to permit commingling, without separate measurement, of the production from the Paddock, Penrose-Skelly and Drinkard Pools on the J. L. Greenwood Lease, comprising the S/2 of Section 9, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 2269: Application of Great Western Drilling Company for an oil-salt water dual completion. Applicant, in the above-styled cause, seeks authorization to dually complete its Federal MM Well No. 2, located in the SE/4 NW/4 of Section 8, Township 9 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Bough C formation adjacent to the East Allison-Pennsylvanian Pool and the injection of salt water into the San Andres formation.

CASE 2270: Application of Pan American Petroleum Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks authorization to dually complete its Greenwood Unit Well No. 3, located in Unit H, Section 27, Township 18 South, Range 31 East, Eddy County, New Mexico, in such a manner as to permit the production of oil from an undesignated Bone Springs pool and the production of oil from an undesignated Wolfcamp pool through parallel strings of 2-inch tubing.

CASE 2271: Application of Pan American Petroleum Corporation for two non-standard oil proration units and for an unorthodox oil well location. Applicant, in the above-styled cause, seeks the establishment of a 70.58-acre non-standard oil proration unit in the Cha Cha-Gallup Oil Pool consisting of Lots 8 and 9 and the S/2 of that portion of the San Juan River channel lying in the S/2 NE/4, all in Section 18,

CASE 2271 (Cont.)

Township 29 North, Range 14 West, San Juan County, New Mexico, said unit to be dedicated to the Navajo Tribal "G" Well No. 7, at an unorthodox location 2545 feet from the North line and 1670 feet from the East line of said Section 18, and of a 46.75-acre non-standard oil proration unit in said pool consisting of Lot 6 and the S/2 of that portion of the San Juan River channel lying in the SE/4, all in Section 16, Township 29 North, Range 14 West, San Juan County, New Mexico, said unit to be dedicated to the Navajo Tribal "E" Well No. 10, located 660 feet from the South line and 1980 feet from the East line of said Section 16.

CASE 2272:

Application of Pan American Petroleum Corporation for two non-standard oil proration units and for two unorthodox oil well locations. Applicant, in the above-styled cause, seeks the establishment of an 89.62-acre non-standard oil proration unit in the Cha Cha-Gallup Oil Pool consisting of Lots 2, 3 and 4 of Section 8, Township 28 North, Range 13 West, San Juan County, New Mexico, said unit to be dedicated to the C. J. Holder Well No. 11, at an unorthodox location 493 feet from the North line and 660 feet from the West line of said Section 8, and of an 89.22-acre non-standard oil proration unit in said pool consisting of Lot 1 of Section 8 and Lots 3 and 4 of Section 9, all in Township 28 North, Range 13 West, San Juan County, New Mexico, said unit to be dedicated to the C. J. Holder Well No. 12, at an unorthodox location 493 feet from the North line and 660 feet from the West line of said Section 9.

CASE 2273:

Application of El Paso Natural Gas Company for an exception to Rule 309 (a). Applicant, in the above-styled cause, seeks an exception to Rule 309 (a) to permit the transportation of oil produced on Federal Lease LC-064198-A, comprising the SE/4 of Section 18, prior to measurement, to tank batteries located on Federal Lease No. 025566, comprising the E/2 of Section 19, all in Township 19 South, Range 32 East, Lea County, New Mexico.

Docket No. 13-61

-5-

CASE 2274:

Application of El Paso Natural Gas Company for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Lusk Deep Unit Well No. 2, located in Unit 0, Section 18, Township 19 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Strawn formation adjacent to the Lusk-Strawn Pool and the production of gas from the Morrow formation in an undesignated pool through parallel strings of 2 3/8-inch tubing.

**BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO**

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

**CASE No. 2265
Order No. R-1965**

**APPLICATION OF NASH, WINDFOHR
AND BROWN FOR AN UNORTHODOX
WELL LOCATION, HEDY COUNTY,
NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 4, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 11th day of May, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 applicant, Nash, Windfohr and Brown, seeks approval of an unorthodox location in an undesignated Abo pool for its Jackson Federal Well No. 23-B, located 1429 feet from the South line and 1980 feet from the East line of Section 24, Township 17 South, Range 36 East, HEDY County, New Mexico.

(3) That a directional survey taken on the subject well at a depth of 4057 feet indicates that due to a relatively constant angle and direction of drift, the hole will be bottomed in the Abo formation well within the NW/4 SE/4 of Section 24.

(4) That inasmuch as applicant owns all of the acreage immediately offsetting the subject well, approval of the unorthodox location should be granted.

IT IS THEREFORE ORDERED:

(1) That the applicant, Nash, Windfohr and Brown, is hereby

-2-
CASE No. 1265
Order No. B-1948

authorized to locate its Jackson Federal Well No. 23-B at an unorthodox location in an undesignated Abo pool at a point 1430 feet from the South line and 1900 feet from the East line of Section 24, Township 17 South, Range 10 East, MPM, Eddy County, New Mexico.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



E. L. Mechem

ERWIN L. MECHEM, Chairman

E. S. Walker

E. S. WALKER, Member

A. L. Porter, Jr.

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

est/

GOVERNOR
EDWIN L. MECHEN
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



P. O. BOX 871
SANTA FE

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

May 11, 1961

Watson & Watson
Attorneys at Law
Carper Building
Artesia, New Mexico

Re: Case No. 2265
Order No. R-1965
Applicant:
Nash, Windfohr and Brown

Dear Sir:

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

Very truly yours,

A. L. Porter, Jr.
A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC x
Aztec OCC

OTHER

NEIL B. WATSON
FRED A. WATSON

LAW OFFICES
WATSON & WATSON
CARPER BUILDING - P. O. DRAWER E
ARTESIA, NEW MEXICO

TELEPHONE
SHERWOOD 6-4151

June 13, 1961

pm
Mr. Dick Morris, Attorney,
Oil Conservation Commission,
Box 871,
Santa Fe, New Mexico.

Dear Mr. Morris:

Re: Case 2265, Order R-1965,
Nash, Windfohr & Brown.

At the time the hearing was held with reference to the application for an unorthodox well location, you asked Mr. Sheldon if we would be willing to furnish a survey report, upon completion of the well, and we stated that we would certainly do so if requested.

There was no requirement set forth in the Order, but an Eastman survey was made and, for your information and the information of the Commission, we are enclosing a copy of the Eastman report on the Nash, Windfohr & Brown - Jackson 23-B Well. You will notice that the report shows the bottom of the hole to be 422 feet north and 30° east of the surface location, which is in accordance with Mr. Sheldon's testimony as to the expected drift.

Yours very truly,

Neil B. Watson
Neil B. Watson.

NBW:lve
enc.

cc :Nash, Windfohr & Brown

**REPORT
and
PLAN
of
SUB-SURFACE
M A G N E T I C
SURVEY**

NASH, WINDFOHR & BROWN

JACKSON NO. B - 23

LOCO HILLS, NEW MEXICO

JOB NO. WT 43061 A

DATE 5-16-61

EASTMAN OIL WELL SURVEY COMPANY

DENVER, COLORADO

LONG BEACH, CALIFORNIA

HOUSTON, TEXAS

SURVEY BY

OFFICE



RECORD OF SURVEY

JOB NO. WT 43061 A

DATE 5-26-61

CHECKED BY

STATION Number	MEASURED DEPTH		DRIFT ANGLE	TRUE VERTICAL DEPTH		VERTICAL SECTION	COURSE DEVIATION	DRIFT DIRECTION	RECTANGULAR COORDINATES				
									NORTH	SOUTH	EAST	WEST	
46	4200	00	6° 00'				14 32	N 18 W	151 29		24 13		
47	4290	00	7° 00'				10 97	N 18 W	161 72		20 74		
48	4379	00	7° 45'				12 00	N 18 W	173 13		17 03		
49	4469	00	8° 15'				12 51	N 22 W	185 10		12 19		
50	4559	00	8° 15'	4549	35		12 91	N 24 W	196 89		6 01		
51	4650	00	6° 45'				10 70	N 25 W	206 59		2 42		
52	4742	00	6° 15'				9 91	N 25 W	215 57			1 77	
53	4831	00	6° 30'				10 19	N 21 W	225 08			5 42	
54	4922	00	4° 45'				7 54	N 21 W	232 12			8 12	
55	5013	00	4° 00'	5001	07		6 35	N 06 W	238 44			8 78	
56	5103	00	3° 45'				5 89	N 12 E	244 20			7 56	
57	5194	00	4° 00'				6 35	N 09 E	250 47			6 57	
58	5284	00	3° 45'				5 89	N 10 E	256 27			5 55	
59	5374	00	4° 00'				6 28	N 08 E	262 49			4 68	
60	5465	00	4° 00'	5452	03		6 35	N 15 E	268 62			3 04	
61	5556	00	4° 15'				6 74	N 12 E	275 21			2 04	
62	5647	00	4° 45'				7 54	N 15 E	282 49				
63	5737	00	5° 15'				8 24	N 12 E	290 55		31		
64	5827	00	5° 00'				7 84	N 10 E	298 27		2 02		
65	5917	00	5° 00'	5902	41		7 64	N 08 E	306 03		3 38		
66	6008	00	5° 15'				8 33	N 06 E	314 31		4 47		
67	6097	00	5° 30'				8 55	N 07 E	322 80		5 34		
68	6187	00	6° 15'				9 80	N 11 E	332 42		6 38		
69	6277	00	6° 45'				10 58	N 16 E	342 59		8 25		
70	6368	00	7° 30'	6350	69		11 88	N 15 E	354 06		11 17		
											14 24		



RECORD OF SURVEY

JOB NO. WT 43061 A

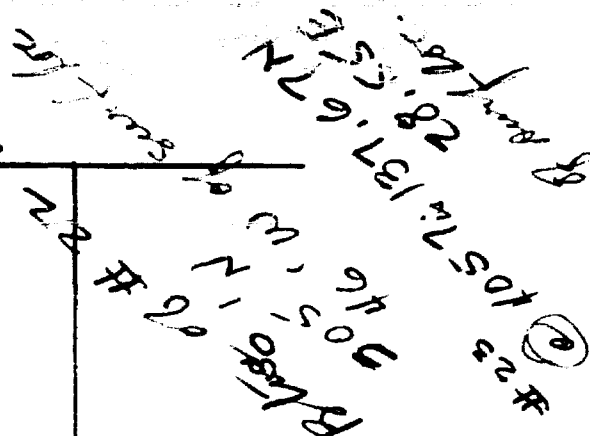
DATE 5-16-61

CHECKED BY _____

STATION	MEASURED DEPTH		DRIFT ANGLE	TRUE VERTICAL DEPTH		VERTICAL SECTION		COURSE DEVIATION		DRIFT DIRECTION	RECTANGULAR COORDINATES				
											NORTH	SOUTH	EAST	WEST	
71	6459	00	7° 00'					11 09		N 13 E	364 87		16	74	
72	6529	00	7° 00'					10 97		North	375 84				
73	6611	00	6° 45'					10 81		North	386 65				
74	6731	00	6° 45'					10 58		N 09 E	397 10		18	39	
75	6822	00	6° 30'	6801	50			10 30		N 09 E	407 27		20	00	
76	6913	00	6° 30'					10 30		N 10 E	417 41		21	79	
77	6948	00	6° 30'	6926	70			3 96		N 09 E	421 32		22	41	
CLOSURE 421.91' NORTH 3° 3' EAST															

Scale 2" = 1 mile

81
137
100
1320
1420
237



BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
MAY 4, 1961

EXAMINER HEARING

IN THE MATTER OF:
CASE 2265

TRANSCRIPT OF HEARING

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
MAY 4, 1961

EXAMINER HEARING

IN THE MATTER OF:

CASE 2265 Application of Nash, Windfohr and Brown for
an unorthodox well location. Applicant, in
the above-styled cause, seeks approval of
an unorthodox location in an undesignated
Abo pool for its Jackson Federal Well No.
23-B, located 1420 feet from the South line
and 1980 feet from the East line of Section
24, Township 17 South, Range 30 East, Eddy
County, New Mexico.

BEFORE:

Daniel S. Nutter, Examiner.

T R A N S C R I P T O F P R O C E E D I N G S

MR. NUTTER: We will take Case 2265.

MR. MORRIS: Case 2265. Application of Nash, Windfohr
and Brown for an unorthodox well location.

MR. WATSON: I am Mr. Watson, Watson & Watson, Artesia,
New Mexico, attorney for the applicant. We have a witness, Mr.
V. P. Sheldon, to be sworn.

(Witness sworn)

(Whereupon, Applicant's Exhibits
Nos. 1 and 2 were marked for
identification)



VILAS SHELDON,

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

DIRECT EXAMINATION

BY MR. WATSON:

Q State your name, please.

A Vilas Sheldon.

Q What is your profession, Mr. Sheldon?

A Geologist.

Q Have you testified previously before the Oil Conservation Commission of New Mexico and given your qualifications?

A Yes, sir, I have.

MR. WATSON: Does the Commission recognize Mr. Sheldon's qualifications?

MR. NUTTER: Yes, sir. Please proceed.

Q (By Mr. Watson) Mr. Sheldon, are you at the present time and have been for some time recently employed by Nash, Windfohr and Brown as a consulting geologist with reference to operations on their Jackson B lease?

A Yes, sir, I am so employed.

Q I'll hand you what has been marked Applicant's Exhibit No. 1, and ask you to state what that is, please?

A It is a blueprint of the map of the general area, showing ownership of the acreage for several miles around the Nash, Windfohr and Brown block of acreage.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

Q Are the Nash, Windfohr and Brown leases in that area leasehold interests on that area outlined in any particular manner?

A Yes. The Nash, Windfohr and Brown leases are colored by the use of yellow.

Q On Applicant's Exhibit 1, you have indicated a location of the Jackson 22 B Well, is that right?

A Yes.

Q And you have also indicated the location of the well for which we seek approval here, the 23-B?

A Yes, sir.

Q And they're so designated on this map?

A They are.

Q From what formation is the Jackson 22-B Well producing?

A Jackson 22-B is the discovery well in the Abo formation.

Q Is any part of the Nash, Windfohr and Brown lease in a designated Abo field at this time?

A I don't think so. Yet, I'm not for sure. The last I knew, it hadn't been placed in any field.

Q Well, there's only the one producing well?

A There's just the one producing well.

Q And the 23-B Well has been commenced, is that correct?

A Yes, it has. Mr. Windfohr wanted to start drilling it, so he started drilling it.

Q And approval was obtained from the U.S.G.S. subject to obtaining approval of this unorthodox location?



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A Oh, yes, the U.S.G.S. gave approval for it. It's up to the O.C.C. to grant approval and assign an allowable. Insofar as the U.S.G.S., they were happy.

Q There has been in this immediate area only this one Abo well drilled previously, the Jackson 22?

A Yes. in the immediate area. It's about two miles each direction.

Q The proposed unorthodox location, who owns the offset 40-acre leasehold interest?

A Wash, Windfohr and Brown.

Q All of them?

A All of them.

Q Will you state, Mr. Sheldon, the reasons for the request to drill the well at the proposed location?

A Yes.

Q All right.

A Mr. Windfohr wanted to drill the well approximately a half a normal location south of the 22 discovery well, based on just pure geology. The Abo reef trend through this portion of Eddy County, we think, is going to be very narrow, probably one location certainly not over half a mile. We are being very cautious to keep from straddling the entire reef. Do they have the Exhibit?

MR. WATSON: No, here.

A Well, here's several copies. The Jackson 22-B Well, of course, when we located it on the ground, we put it in the center



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of a 40-acre unit. We had hoped to hit the reef on the very crest, but the hope wasn't quite fulfilled. We drilled a slightly back reef well. We were some 300 feet into the Abo before we found porosity. There was considerable green shale; in fact, there was a tiny bit of red shale, which is quite, insofar as I'm concerned, it was definite proof that we were on the back side of the reef, to some, not a terribly lot, but the Cedar Lake Abo Field two miles east is a very narrow situation, and the Woolly Well and the Texas-Pacific Well about two miles west, is on a very narrow situation. Mr. Windfohr and I, too, for that matter, were quite concerned that if we move a full location we might jump clear over and get on the front side of the reef. This we did not want to do.

Q Referring to Applicant's Exhibit 2, did you prepare this Exhibit?

A Yes, I prepared the Exhibit.

Q What does the Exhibit show with respect to where you anticipate the Abo formation will be found in this particular area.

A Well, the Exhibit, of course, consists of a small sketch map showing the Nash, Windfohr and Brown acreage with the surface locations, and then a cross section projected; our interpretation of what we think the Abo reef is going to look like, showing the oil-water contact.

Q Now, this is based on information obtained in connection with the drilling of the 22-B Well?



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A It's based on what we knew originally, and what we learned in drilling B-22.

Q Go ahead, Mr. Sheldon.

A There is another factor, I think, that should be entered. It is generally thought that most wells drilled in the Abo are drifting to the north and in the case of the Jackson B-22 Mr. Windfohr had an Eastman directional survey taken, and, of course, the well --

Q Have you examined that survey?

A Yes. I have a copy of it and have examined it. The well wound up 305 feet north and 46 feet west of the surface location.

Q What is the reason for that, Mr. Sheldon --

A Oh, wells--

Q -- can you give any reason?

A Rotary wells tend to drift up structure. I don't know why. In the Jackson B-22 at a depth of 4,060 feet, a directional survey was taken to find out where we were going, and at that point it was 140 feet north and 29 feet east of the surface location, which at that point placed it 238 feet north of the unit line. If it continues to drift the next 2,000 feet, it should be 30 foot from the unit line, anyway.

MR. NUTTER: That's the No. 23?

A That's the No. 23.

MR. NUTTER: What was the location?



A 4,057 feet. It was a 137.67 feet and .23.33 feet east.

MR. NUTTER: Off the surface location?

A Off the surface location. The location was deliberately made exactly where it is, trying to bottom the hole, that's about 400 foot north of the unit line.

Q (By Mr. Watson) Mr. Sheldon, it is correct, is it not, that the working interest and the royalty interest under the Jackson B lease are identical?

A Yes, they are identical.

Q I believe we have already brought out that Nash, Windfohr and Brown all own the 40-acre offsets --

A Yes, they do.

Q -- to this proposed location?

A In every direction.

Q Do you have anything else you want to add, Mr. Sheldon, about your reasons for recommending this location?

A No, I believe not. I'll be glad to answer any questions. We simply, Mr. Windfohr and myself didn't want to straddle the reef on this exploratory well, trying to hit it on the top.

Q As you pointed out, Mr. Sheldon, it is true, isn't it, that the Abo reef formation is very narrow in places --

A In places, yes.

Q -- in Eddy County?

A Yes, it is.

Q Some places not as much as an entire location wide, is

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that correct, an entire 40-acre tract?

A That is probably correct, yes.

MR. WATSON: I have no further questions at this time.

MR. NUTTER: Any questions of Mr. Sheldon?

MR. MORRIS: Yes, sir.

MR. NUTTER: Mr. Morris.

CROSS-EXAMINATION

BY MR. MORRIS:

Q Mr. Sheldon, your proposed location is unorthodox here in that it is only 100 feet north of the quarter-quarter section line, rather than 330, as required?

A Yes.

Q Assuming that your application is granted, and that you obtain a productive well in No. 23, would any further wells be drilled in the southwest quarter of the southeast quarter, the 40 directly south of the 40 we're in?

A Mr. Morris, if this well is not too far structural on the reef south, for instance, if we hit near the crest of the reef, I'm sure the operator will wish to drill a well in the south 40, the one you just described.

Q Now, you are aware, are you not, of our rule, the Commission's rule requiring that wells be 660 feet apart? That might necessitate your coming back for another hearing to be 660 feet from the well for which you are seeking approval here today. In other words, to have a standard location in the southwest quarter,

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you would have to be 560 feet from the north boundary of the quarter-quarter section line?

A Yes, sir, and I do not anticipate that we'll have to come back, because if the wells are going to drift off 400 feet, we're going to be quite -- we would be very reluctant to spud the well any less than 400 feet from the unit line, so I don't think 560 is going to be a factor. I'm positive Mr. Windfohr will want to go 560 feet to keep under the geographic limit. He has already run two Eastman surveys; someone might ask him to run another one.

Q In other words, you are of the opinion that if the unorthodox location that you are seeking today is granted, it will not necessitate another unorthodox location application at a later date?

A Not on the 40 acres that you discussed. We might want to the same thing, say, in the southwest of the southwest of 24, but answering your question as I think you meant it, this unorthodox location will not directly cause another request.

Q Yes, that was my question. Mr. Sheldon, if there's some question about where the bottom hole location of this well might be, would Nash, Windfohr and Brown be willing to run a bottom hole survey on this well?

A Well, it has been run at 4,060 feet already. Yes, answering your question, yes.

MR. MORRIS: I have no further questions. Thank you.

BY MR. NUTTER:



Q Mr. Sheldon, may I see the directional survey that was run on the No. 23, please?

A Yes.

Q When this survey was run, you had approximately 2,000 more feet to drill, is that right?

A 3,000.

Q 3,000 more feet. At the time the survey was run, the drift was in the neighborhood of 4, 5 or 6 degrees?

A Four and three-quarters, something in that order, and the hole is off at 5600, the hole was still off 5 degrees.

Q Was there any noticeable change in the drift on the last 2,000 feet on the No. 2 Well?

A No, it straightened up some. Here, it happens to be here at 4200. At 46, it was 4 degrees, at 51 it was 4 degrees and fifteen minutes, at 56, 4 degrees, at 6,000, 445, at 654 $\frac{1}{2}$, at 7,000, 3 $\frac{1}{4}$.

Q So the drift was relatively constant, it straightened up to a constant rate of drift?

A Yes.

Q At the present time your No. 23 Well has moved 137 feet north of the survey's location?

A Yes.

Q Does Nash, Windfohr and Brown own the 40 acres directly to the south of the 40 acres on which this well is spudded?

A Yes, sir.

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Q Is their royalty ownership under that the same?

A Yes.

MR. NUTTER: Any further questions? He may be excused.
(Witness excused)

MR. NUTTER: Do you have anything further, Mr. Watson?

MR. WATSON: No, sir, that's all we have.

MR. NUTTER: These Exhibits haven't been offered.

MR. WATSON: Yes, I would like to offer Applicant's Exhibits 1 and 2.

MR. NUTTER: Applicant's Exhibits 1 and 2 will be entered in evidence.

(Whereupon, Applicant's Exhibits Nos. 1 and 2 were received in evidence)

MR. NUTTER: Does anyone have anything they wish to offer in Case 2266? We'll take the case under advisement, and take a recess.



STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I, ADA DEARNLEY, Court Reporter, in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in machine shorthand and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this, the 7th day of May, 1961, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Ada Dearnley
NOTARY PUBLIC

My Commission expires:
June 19, 1963

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2265 heard by me on 5.4, 1961.

[Signature], Examiner
New Mexico Oil Conservation Commission

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