CASE 3688:

SOUTHEASTERN NEW MEXICO
NOMENCLATURE

Case No. 3688

Application, Transcript, Small Exhibits, Etc.

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. 3688
Order No. R-3342

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER FOR THE CREATION, ABOLISHMENT, EXTENSION, AND REDEFINITION OF CERTAIN POOLS IN LEA, EDDY, AND CHAVES COUNTIES, NEW MEXICO, AND FOR THE ASSIGNMENT OF A BONUS DISCOVERY ALLOWABLE TO ONE WELL IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 15, 1967, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 20th day of November, 1967, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

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

(2) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of East Atoka-Morrow Gas Pool. Said East Atoka-Morrow Gas Pool was discovered by Sinclair Oil & Gas Company, Trigg Federal No. 1, located in Unit E of Section 27, Township 18 South, Range 27 East, NMPM. It was completed in Morrow on March 26, 1967. The top of perforations is 9781 feet.

(3) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Strawn formation, said pool to bear the designation of Cabin Lake-Strawn Pool. Said Cabin Lake-Strawn Pool was discovered by Phillips Petroleum Company, James A No. 1, located in Unit O of Section 2, Township 22 South, Range 30 East, NMPM. It was completed in Strawn on February 13, 1967. The top of the perforations is 12,154 feet.

(4) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of South Corbin-Wolfcamp Pool. Said South Corbin-Wolfcamp Pool was discovered by Aztec Oil & Gas Company, Federal MA No. 2, located in Unit I of Section 21, Township 18 South, Range 33 East, NMPM. It was completed in Wolfcamp on August 4, 1967. The top of perforations is 11,212 feet.

(5) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of South Osudo-Morrow Gas Pool. Said South Osudo-Morrow Gas Pool was discovered by Amerada Petroleum Corporation, State WE "K" No. 1, located in Unit F of Section 15, Township 21 South, Range 35 East, NMPM. It was completed in Morrow on May 14, 1967. The top of perforations is 12,004 feet.

(6) That there is need for the consolidation of the East Mason-Delaware Pool and the North Mason-Delaware Pool, Lea and Eddy Counties, New Mexico, inasmuch as the pools produce from a common source of supply. Said consolidation to be accomplished by abolishing the East Mason-Delaware Pool and extending the North Mason-Delaware Pool.

(7) That the proposed redefinition of the vertical limits of the Moore-Pennsylvanian Pool in Lea County, New Mexico, should be dismissed pending further study.

(8) That the proposed redefinition of the vertical limits of the Moore-Wolfcamp Gas Pool in Lea County, New Mexico, should be dismissed pending further study.

(9) That the discovery well for the Vacuum-Middle Pennsylvanian Pool, created by Order No. R-3329, Mobil Oil Corporation's Bridges State No. 121, located in Unit L of Section 13, Township

17 South, Range 34 East, NMPM, Lea County, New Mexico, is entitled to and should receive a bonus discovery oil allowable in the amount of 52,180 barrels to be assigned over a two-year period. The top of the perforations in said well is 10,436 feet.

(10) That there is need for certain extensions to the Tom-tom San Andres Pool and the Twin Lakes-San Andres Pool, both in Chaves County, New Mexico, the Atoka-Pennsylvanian Gas Pool, the West Henshaw-Grayburg Pool, the Indian Basin-Upper Pennsylvanian Gas Pool, and the Penasco Draw San Andres-Yeso Pool, all in Eddy County, New Mexico, the North Bagley-Lower Pennsylvanian Pool, the North Bagley-Upper Pennsylvanian Pool, the Bar U-Pennsylvanian Pool, the South Corbin-Morrow Gas Pool, the North Osudo-Morrow Gas Pool, the Paddock Pool, the Northwest Vacuum-Abo Pool, and the Vada-Pennsylvanian Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production, is hereby created and designated as the East Atoka-Morrow Gas Pool, consisting of the following-described area:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 27: N/2

(b) That a new pool in Eddy County, New Mexico, classified as an oil pool for Strawn production, is hereby created and designated as the Cabin Lake-Strawn Pool, consisting of the following-described area:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 2: SW/4 SE/4

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 21: SE/4

(d) That a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production, is hereby created

and designated as the South Osudo-Morrow Gas Pool, consisting of the following-described area:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
Section 15: N/2

(e) That the East Mason-Delaware Pool in Lea County, New Mexico, consisting of the following-described area:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 16: SW/4
Section 17: S/2
Section 20: N/2
Section 21: NW/4

is hereby abolished.

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

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 16: SW/4
Section 17: S/2
Section 19: NE/4
Section 20: N/2
Section 21: NW/4

(g) That the proposed redefinition of the vertical limits of the Moore-Pennsylvanian Pool in Lea County, New Mexico, is hereby dismissed.

(h) That the proposed redefinition of the vertical limits of the Moore-Wolfcamp Gas Pool in Lea County, New Mexico, is hereby dismissed.

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

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 20: N/2

(j) That the North Bagley-Lower Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and

described, is hereby extended to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
Section 17: NE/4

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

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
Section 4: SE/4 and S/2 SW/4

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

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
Section 1: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 21: E/2

(n) That the West Henshaw-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM
Section 7: S/2 N/2

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

TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM
Section 4: All

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

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
Section 6: All
Section 7: All
Section 18: N/2

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

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 19: W/2

(r) That the Penasco Draw San Andres-Yeso Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 2: W/2 NW/4

(s) That the Tom-tom San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 34: NE/4

(t) That the Twin Lakes-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 36: N/2 SW/4 and S/2 NW/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM
Section 1: N/2 NE/4 and NE/4 NW/4
Section 2: N/2 NE/4

(u) That the Northwest Vacuum-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 2: SW/4

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

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM
Section 16: NW/4
Section 21: W/2

(w) That the discovery well for the previously created Vacuum-Middle Pennsylvanian Pool, Mobil Oil Corporation's Bridges State No. 121, located in Unit L of Section 13, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, is hereby authorized an oil discovery allowable of 52,180 barrels to be assigned to said well at the rate of 72 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

IT IS FURTHER ORDERED:

That the effective date of this order and all creations, abolishments, and extensions included herein shall be December 1, 1967.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

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

esr/

Docket No. 35-67

DOCKET: REGULAR HEARING - WEDNESDAY - NOVEMBER 15, 1967

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

ALLOWABLE:

(1) Consideration of the oil allowable for December, 1967

(2) Consideration of the allowable production of gas for December, 1967, from thirteen prorated pools in Lea, Eddy and Roosevelt Counties, New Mexico, and also presentation of purchaser's nominations for said pools for the six-month period beginning January 1, 1968; Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for December, 1967.

CASE 3666: (Continued from the October 18th Regular Hearing)
Application of Kennedy Oil Company and Newmont Oil Company for an exception to Order No. R-3221, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an exception to the provisions of Order No. (2) of the Commission Order No. R-3221 which, effective January 1, 1968, prohibits the surface disposal of water produced in conjunction with the production of oil from any waterflood or pressure maintenance project. The exception sought would be for applicants' lands which are or which will be covered by waterflood operations in the Square Lake Pool, Eddy County, New Mexico, said lands being included in the following described area:

Sections 32 through 36, Township 16 South, Range 30 East; Sections 19 through 22 and 27 through 34, Township 16 South, Range 31 East and Sections 2 and 4, Township 17 South, Range 30 East.

CASE 3687: In the matter of the hearing called by the Oil Conservation Commission upon its on motion to change the date of the December, 1967, regular hearing from December 13 to 9 a.m. December 15, 1967, Morgan Hall, State Land Office Building, Santa Fe, New Mexico.

CASE 3688: Southeastern New Mexico nomenclature case calling for an order for the creation, abolishment, redefinition, and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico, and for the assignment of a bonus discovery allowable to one well in Lea County, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the East Atoka-Morrow Gas Pool. The discovery well is Sinclair Oil & Gas Company, Trigg Federal No. 1, located in Unit E of Section 27, Township 18 South, Range 27 East, NMPM. Said pool described as:

(Case 3688 continued)

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
SECTION 27: N/2

(b) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Strawn production and designated as the Cabin Lake-Strawn Pool. The discovery well is Phillips Petroleum Company, James A No. 1, located in Unit O of Section 2, Township 22 South, Range 30 East, NMPM. Said pool described as:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
SECTION 2: SW/4 SE/4

(c) Create a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the South Corbin-Wolfcamp Pool. The discovery well is Aztec Oil & Gas Company, Federal MA No. 2, located in Unit I of Section 21, Township 18 South, Range 33 East, NMPM. Said pool described as:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
SECTION 21: SE/4

(d) Create a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the South Osudo-Morrow Gas Pool. The discovery well is Amerada Petroleum Corporation, State WE "K" No. 1, located in Unit F of Section 15, Township 21 South, Range 35 East, NMPM. Said pool described as:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
SECTION 15: N/2

(e) Abolish the East Mason-Delaware Pool in Lea County, New Mexico, described as:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
SECTION 16: SW/4
SECTION 17: S/2
SECTION 20: N/2
SECTION 21: NW/4

(f) Extend the North Mason-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
SECTION 16: SW/4
SECTION 17: S/2
SECTION 19: NE/4
SECTION 20: N/2
SECTION 21: NW/4

(g) Redefine the vertical limits of the Moore-Pennsylvanian Pool in Lea County, New Mexico, as being from the shale break at 8258 feet to the top of Mississipian at 9974 feet as in Amerada Petroleum Corporation, State "MA" No. 1, located in Unit M of Section 24, Township 11 South, Range 32 East, NMPM, and redesignate said pool as Moore-Permo Pennsylvanian Pool.

(h) Redefine the vertical limits of the Moore-Wolfcamp Gas Pool in Lea County, New Mexico, as being from the top of the Wolfcamp at 8042 feet to the shale break at 8258 feet as in Amerada Petroleum Corporation, State "MA" No. 1, located in Unit M of Section 24, Township 11 South, Range 32 East, NMPM.

(i) Extend the Atoka-Pennsylvanian Gas Pool to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
SECTION 20: N/2

(j) Extend the North Bagley-Lower Pennsylvanian Pool to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
SECTION 17: NE/4

(k) Extend the North Bagley-Upper Pennsylvanian Pool to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
SECTION 4: SE/4

(l) Extend the Bar U-Pennsylvanian Pool to include therein:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
SECTION 1: NW/4

(m) Extend the South Corbin-Morrow Gas Pool to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
SECTION 21: E/2

(n) Extend the West Henshaw-Grayburg Pool to include therein:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM
SECTION 7: S/2 N/2

(o) Extend the Indian Basin-Upper Pennsylvanian Gas Pool to include therein:

TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM
SECTION 4: All

(p) Extend the North Osudo-Morrow Gas Pool to include therein:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
SECTION 6: All
SECTION 7: All
SECTION 18: N/2

(q) Extend the Paddock Pool to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
SECTION 19: W/2

(r) Extend the Penasco Draw San Andres-Yeso Pool to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
SECTION 2: W/2 NW/4

(s) Extend the Tom-tom San Andres Pool to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
SECTION 34: NE/4

(t) Extend the Twin Lakes-San Andres Pool to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
SECTION 36: N/2 SW/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM
SECTION 1: N/2 NE/4 and NE/4 NW/4
SECTION 2: N/2 NE/4

(u) Extend the Northwest Vacuum-Abo Pool to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
SECTION 2: SW/4

(v) Extend the Vada-Pennsylvanian Pool to include therein:

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM
SECTION 16: NW/4

(w) Consideration of the assignment of a bonus discovery allowable to Mobil Oil Corporation's Bridges State Well No. 121, located in Unit L of Section 13, Township 17 South, Range 34 East, Lea County, New Mexico, said well being the discovery well for the previously designated Vacuum-Middle Pennsylvanian Pool. The bonus allowable would be some amount up to 52,180 barrels.

NOMENCLATURE ADVERTISEMENT FOR NOVEMBER, 1967
CASE 3688

In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order for the creation of new pools in Eddy and Lea Counties, New Mexico, the abolishment of an existing pool in Lea County, New Mexico, the redefining of vertical limits of existing pools in Lea County, New Mexico, and the extension of certain existing pools in Chaves, Eddy, and Lea Counties, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to appear and show cause why such creations, abolishments, redefining of vertical limits, and extensions should not be made.

a) CREATE A new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the East Atoka-Morrow Gas Pool. The discovery well is Sinclair Oil & Gas Company, Trigg Federal No. 1, located in Unit E of Section 27, Township 18 South, Range 27 East, NMPM. Said pool described as:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
SECTION 27: N/2

b) CREATE A new pool in Eddy County, New Mexico, classified as an oil pool for Strawn production and designated as the Cabin Lake-Strawn Pool. The discovery well is Phillips Petroleum Company, James A No. 1, located in Unit O of Section 2, Township 22 South, Range 30 East, NMPM. Said pool described as:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
SECTION 2: SW/4 SE/4

c) CREATE A new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the South Corbin-Wolfcamp Pool. The discovery well is Aztec Oil & Gas Company, Federal MA No. 2, located in Unit I of Section 21, Township 18 South, Range 33 East, NMPM. Said pool described as:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
SECTION 21: SE/4

d) CREATE A new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the South Osudo-Morrow Gas Pool. The discovery well is Amerada Petroleum Corporation, State WE "K" No. 1, located in Unit F of Section 15, Township 21 South, Range 35 East, NMPM. Said pool described as:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
SECTION 15: ~~NW/4~~ N/2

e) ABOLISH the East Mason-Delaware Pool in Lea County, New Mexico, described as:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
SECTION 16: SW/4
SECTION 17: S/2
SECTION 20: N/2
SECTION 21: NW/4

(f):

g ~~f~~) REDEFINE the vertical limits of the Moore-Pennsylvanian Pool in Lea County, New Mexico, as being from the shale break at 8258 feet to the top of Mississippian at 9974 feet as in Amerada Petroleum Corporation, State "MA" No. 1, located in Unit M of Section 24, Township 11 South, Range 32 East, NMPM, and redesignate said pool as Moore-Permo Pennsylvanian Pool.

h ~~g~~) REDEFINE the vertical limits of the Moore-Wolfcamp Gas Pool in Lea County, New Mexico, as being from the top of the Wolfcamp at 8042 feet to the shale break at 8258 feet as in Amerada Petroleum Corporation, State "MA" No. 1, located in Unit M of Section 24, Township 11 South, Range 32 East, NMPM.

i ~~h~~) EXTEND the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
SECTION 20: N/2

j ~~i~~) EXTEND the North Bagley-Lower Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
SECTION 17: NE/4

k ~~j~~) EXTEND the North Bagley-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
SECTION 4: SE/4

l ~~k~~) EXTEND the Bar U-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
SECTION 1: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
SECTION 21: E/2

n ~~m~~) EXTEND the West Henshaw-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM
SECTION 7: S/2 N/2

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

TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM
SECTION 4: All

Nomenclature

f) EXTEND the North Mason-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
SECTION 16: SW/4
SECTION 17: S/2
SECTION 19: NE/4
SECTION 20: N/2
SECTION 21: NW/4

g) EXTEND the Paddock Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
SECTION 19: W/2

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

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
SECTION 2: W/2 NW/4

5 r) EXTEND the Tom-tom San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
SECTION 34: NE/4

6 s) EXTEND the Twin Lakes-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
SECTION 36: N/2 SW/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM
SECTION 1: N/2 NE/4 and NE/4 NW/4
SECTION 2: N/2 NE/4

7 t) EXTEND the Northwest Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
SECTION 2: SW/4

8 u) EXTEND the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM
SECTION 16: NW/4

(W) Bonus allowable —

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 15, 1967

REGULAR HEARING

IN THE MATTER OF:

Southeastern New Mexico nomenclature case calling for an order for the creation, abolishment, redefinition, and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico and for the assignment of a bonus discovery allowable to one well in Lea County, New Mexico.

CASE 3688

BEFORE: David F. Cargo, Governor
A. L. "Pete" Porter, Secretary-Director
Guyton B. Hays, Land Commissioner
George M. Hatch, General Counsel

TRANSCRIPT OF HEARING

[illegible]

[illegible]

[illegible] Lea, Eddy and Chaves Counties, New Mexico, and for the assignment of a bonus discovery allowable for the Mobil Oil Corporation's Arlington Blake Well Number 121 located in Lea County, New Mexico.

[illegible]

JOE RAMEY

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

DIRECT EXAMINATION

BY MR. HATCH:

Q Will you state your name and position for the record?

A Joe Ramey, Supervisor of the Commission District 1.

Q Are you prepared to make recommendations to the Commission concerning the creation, abolishment, consolidation and extension of certain pools in Lea, Eddy and Chaves Counties, New Mexico, and for the assignment of a bonus discovery allowable for the Mobil Oil Corporation's Arlington Blake Well Number 121 located in Lea County, New Mexico?

A Yes, sir.

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

A Yes, sir, they are.

Q What Exhibit is that?

A Southeast New Mexico Nomenclature Exhibit 1, Paragraphs A through W.

Q Please refer to Exhibit Number 1 and to Paragraphs A through W of Case 3688 as shown on the docket that has been distributed and point out any corrections that need to be made on the docket.

A We request that Paragraphs G and H be dismissed.

Q G and H?

A Yes, sir. They be dismissed for further study. Paragraph K, I have an addition in Township 11, South, Range 33 East, Section 4, South half of the southwest quarter. I have an addition in Paragraph T in Township 8 South, Range 28 East, Section 36, south half of the northwest quarter. In Paragraph V, I have an extension in Township 9 South, Range 34 East, Section 21, the west half. Paragraph W, now this paragraph was postponed from last month's hearing and we advertised for this hearing because it was felt that the original advertisement was too restrictive.

Q Testimony was received at the last hearing?

A Yes, sir, it was.

Q And you have no testimony at this time concerning that?

A No, I have nothing further to offer at this time.

Q Do you recommend to the Commission that the pools be created, abolished, redefined, and extended as advertised and corrected in this hearing and that you would have two paragraphs dismissed?

A Yes, sir, that is correct.

MR. HATCH: If the Commission please, that's all the questions I have at this time.

CROSS EXAMINATION

BY MR. PORTER:

Q Why are you recommending that Paragraphs G and H be dismissed, Mr. Ramey?

A We started to create this on the basis of a gas well, but at this time we don't feel like we have enough information to make this breakdown.

Q You need more time to make determination and if it is felt that it is desirable to take this action, it will be recommended for readvertisement at a later date?

A Yes, sir, that is correct.

MR. PORTER: Any other questions?

BY MR. HATCH:

Q Was Exhibit 1 prepared by you or under your

supervision?

A Yes, sir, it was.

MR. HATCH: I would like to move the introduction of Exhibit 1.

MR. PORTER: Exhibit will be admitted.

(Whereupon, Applicant's Exhibit 1 was offered and admitted in evidence)

MR. PORTER: If there are no further questions of the witness -- off the record.

(Discussion held off the record)

MR. HATCH:

Q Mr. Ramey, would you go back over your statement about Paragraph W, please?

A Yes, sir. This was the paragraph that was postponed and readvertised this date because it was felt that the original advertisement was too restrictive.

Q And you have no further recommendations or testimony to give at this time concerning Bridges State Well Number 121?

A No, sir, I do not.

MR. PORTER: To bring the record up to date on that particular paragraph, at the conclusion of this case at the last hearing, the Commission ruled that this particular paragraph would be readvertised so that it would be broader in

its scope as far as the granting of a bonus allowable, consideration of granting of a bonus allowable was concerned. It was also noted or stated at that time that if the Commission felt that the testimony put in that record was not sufficient or if we needed additional testimony as far as factual information is concerned, that the applicant would be so notified so that he could make an appearance at this hearing. The Commission did not notify the applicant since it has been determined that we have sufficient evidence in the record to make determination as to what bonus will be granted, so at this time, Paragraph W will be taken under advisement along with the rest of the case.

MR. PORTER: We don't have a northwest nomenclature case this time, so the hearing is adjourned.

I N D E X

WITNESS	PAGE
JOE RAMEY	
Direct Examination by Mr. Hatch	2
Cross Examination by Mr. Porter	4

E X H I B I T S

EXHIBIT	OFFERED AND ADMITTED
Applicant's Exhibit 1	5

STATE OF [illegible]

COUNTY OF [illegible]

[illegible]

[illegible] that the same is a true and [illegible] record of said

proceedings to the best of my knowledge, skill and ability.

Witness my hand and seal this [illegible] day of

[illegible] 19[illegible]

[illegible]
Notary Public

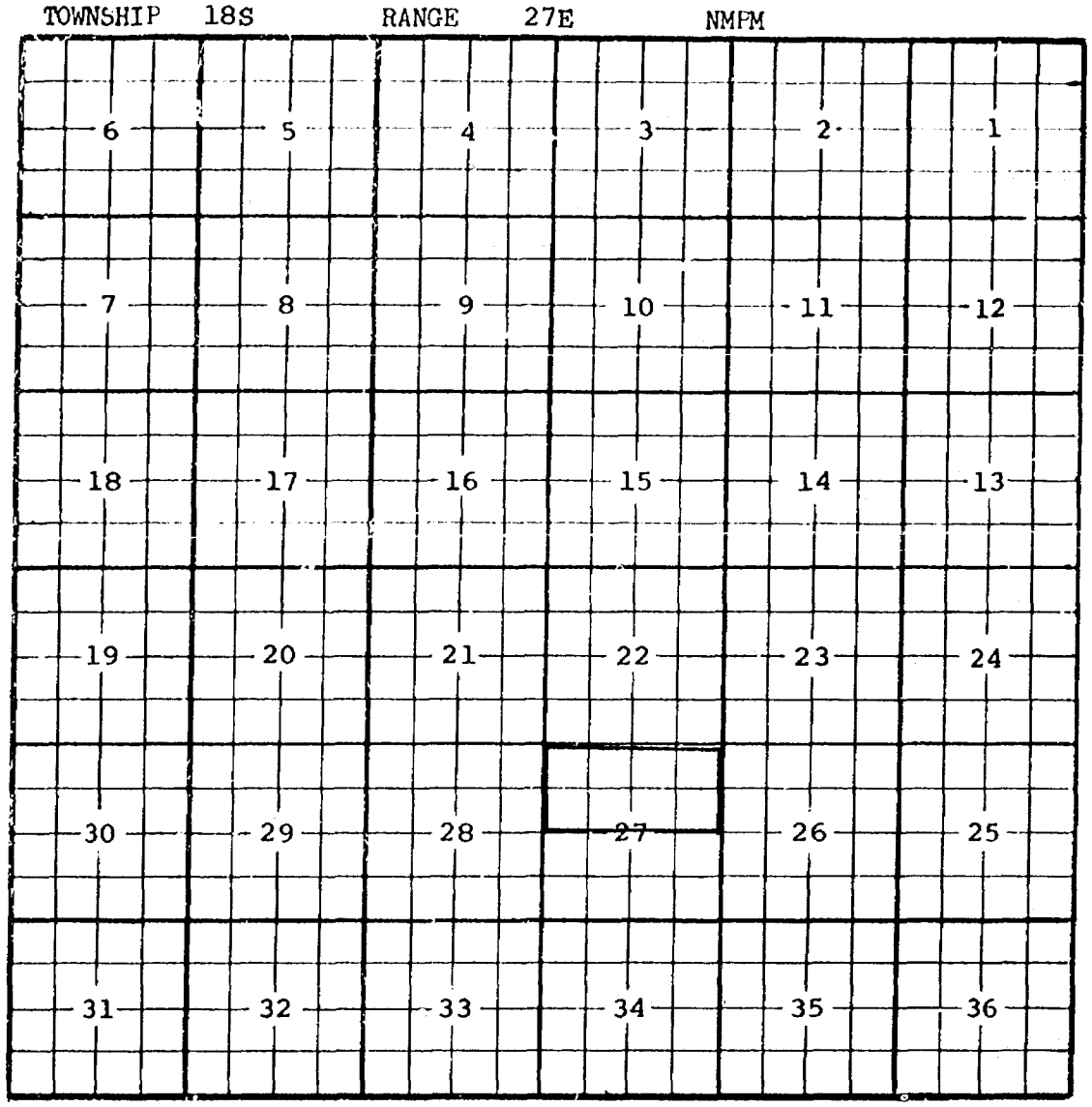
My Commission Expires:

11-13-[illegible]

CASE 3688: (a) CREATION OF A NEW GAS POOL

COUNTY Eddy POOL ~~East Atoka-Morrow Gas~~

TOWNSHIP 18S RANGE 27E NMPM



Purpose: One completed gas well capable of producing.

Discovery Well: Sinclair Oil & Gas Co. Trigg Federal Well No. 1 in unit E of Section 27-18-27. Completed in Morrow March 26, 1967, through perforations 9781 to 9795.

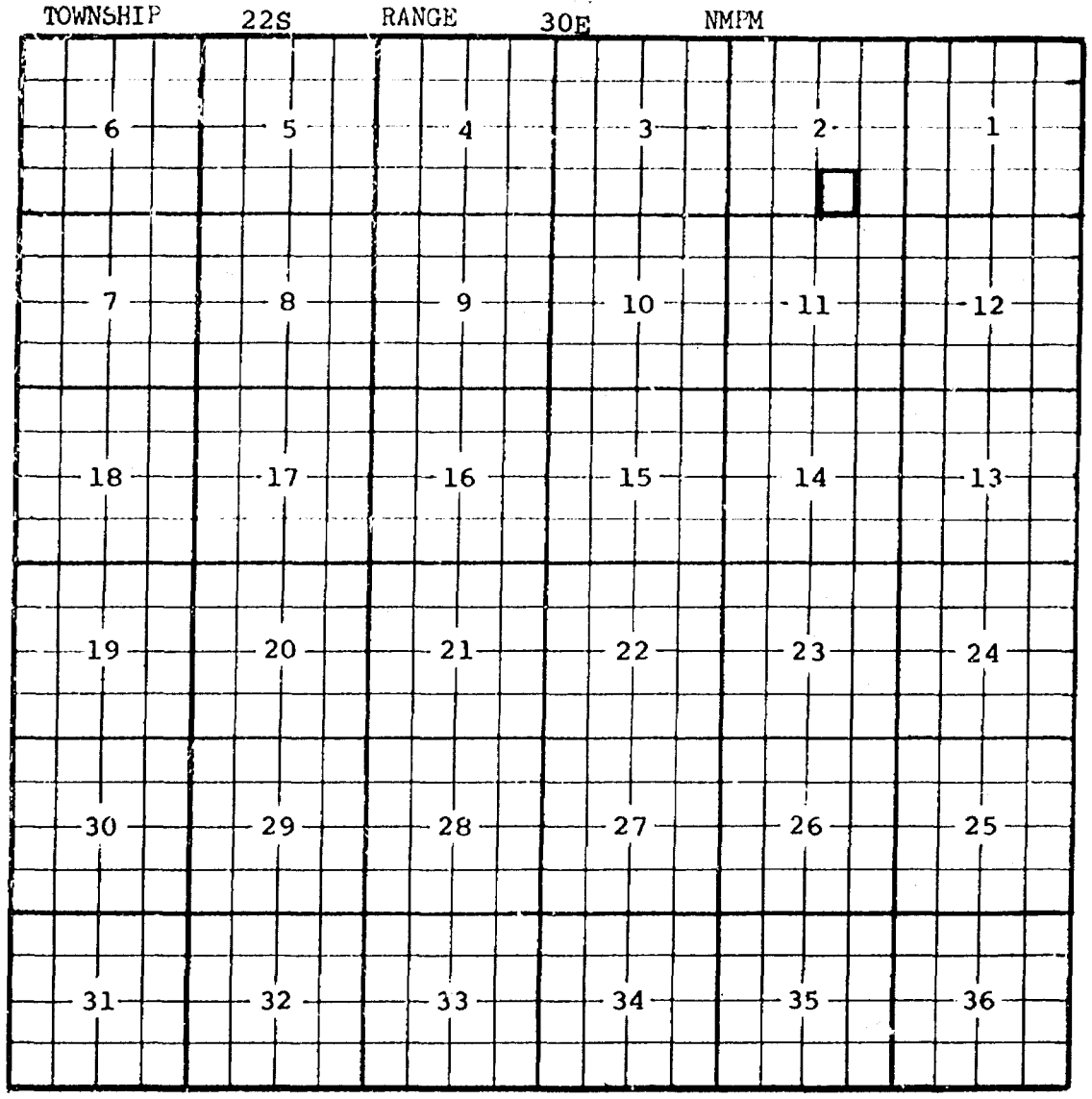
Proposed pool boundary colored in green.

Section 27: N/2

CASE 3688: (b) CREATION OF A NEW OIL POOL

COUNTY Eddy POOL Cabin Lake-Strawn

TOWNSHIP 22S RANGE 30E NMPM



Purpose: One completed oil well capable of producing.

Discovery well: Phillips Petroleum Co., James A Well No.1 in unit O of Section 2-22-30. Completed in Strawn February 13, 1967, through perforations 12154 to 12166.

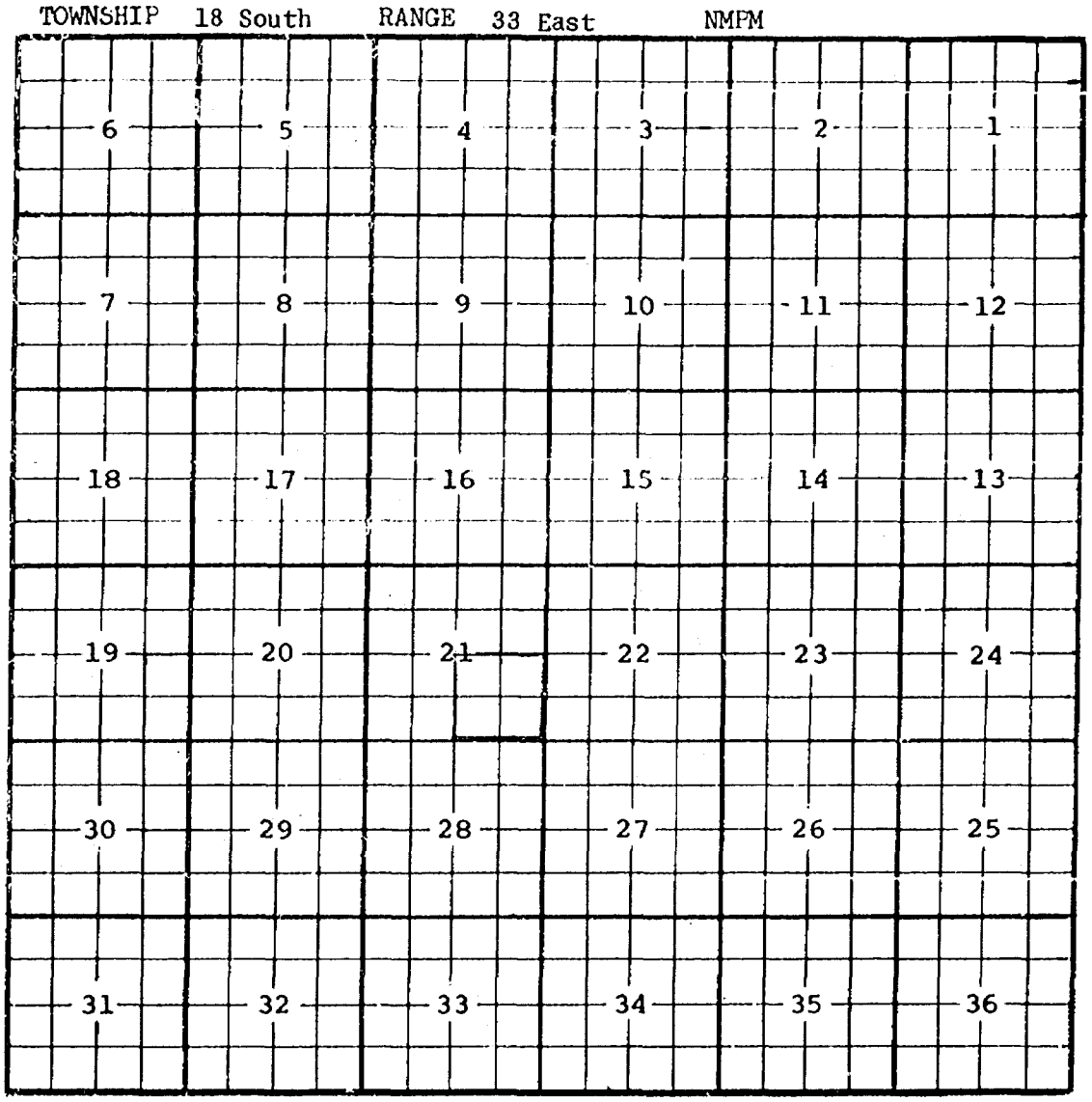
Proposed pool boundary colored in green

Section 2: SW/4 SE/4

CASE 3688: (c) CREATION OF A NEW OIL POOL

COUNTY LEA POOL SOUTH CORBIN-WOLFCAMP

TOWNSHIP 18 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

AZTEC OIL & GAS COMPANY - Federal MA #2 in Unit I of Section 21-18-33.

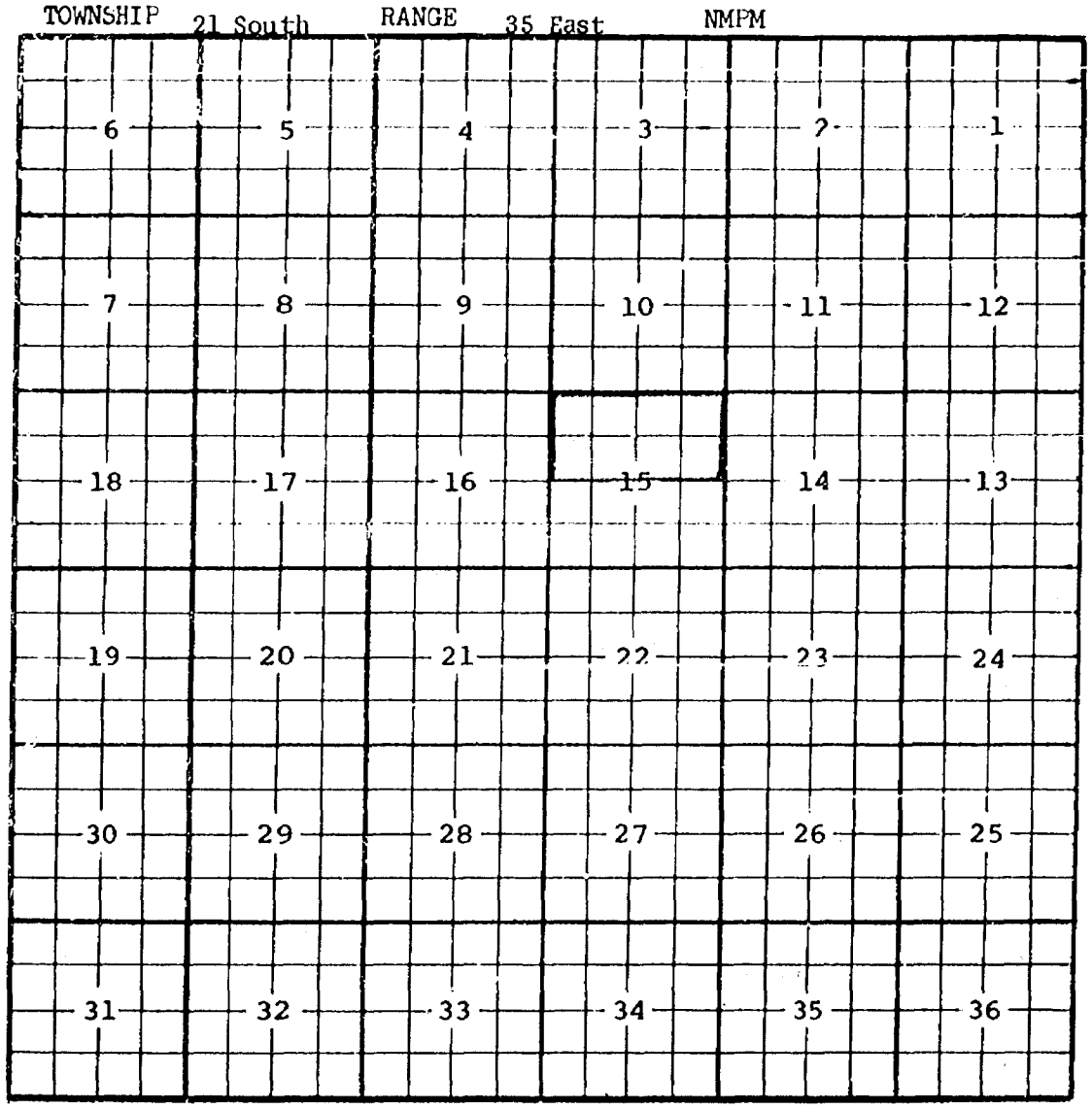
Completed in Wolfcamp on August 4, 1967. Top of Perforations 11,212'.

Proposed pool boundary colored in red. SECTION 21: SE/4

CASE 3688: (d) CREATION OF A NEW GAS POOL

COUNTY LEA POOL SOUTH OSUDO-MORROW GAS

TOWNSHIP 21 South RANGE 35 East NMPM



PURPOSE: One completed gas well capable of producing.

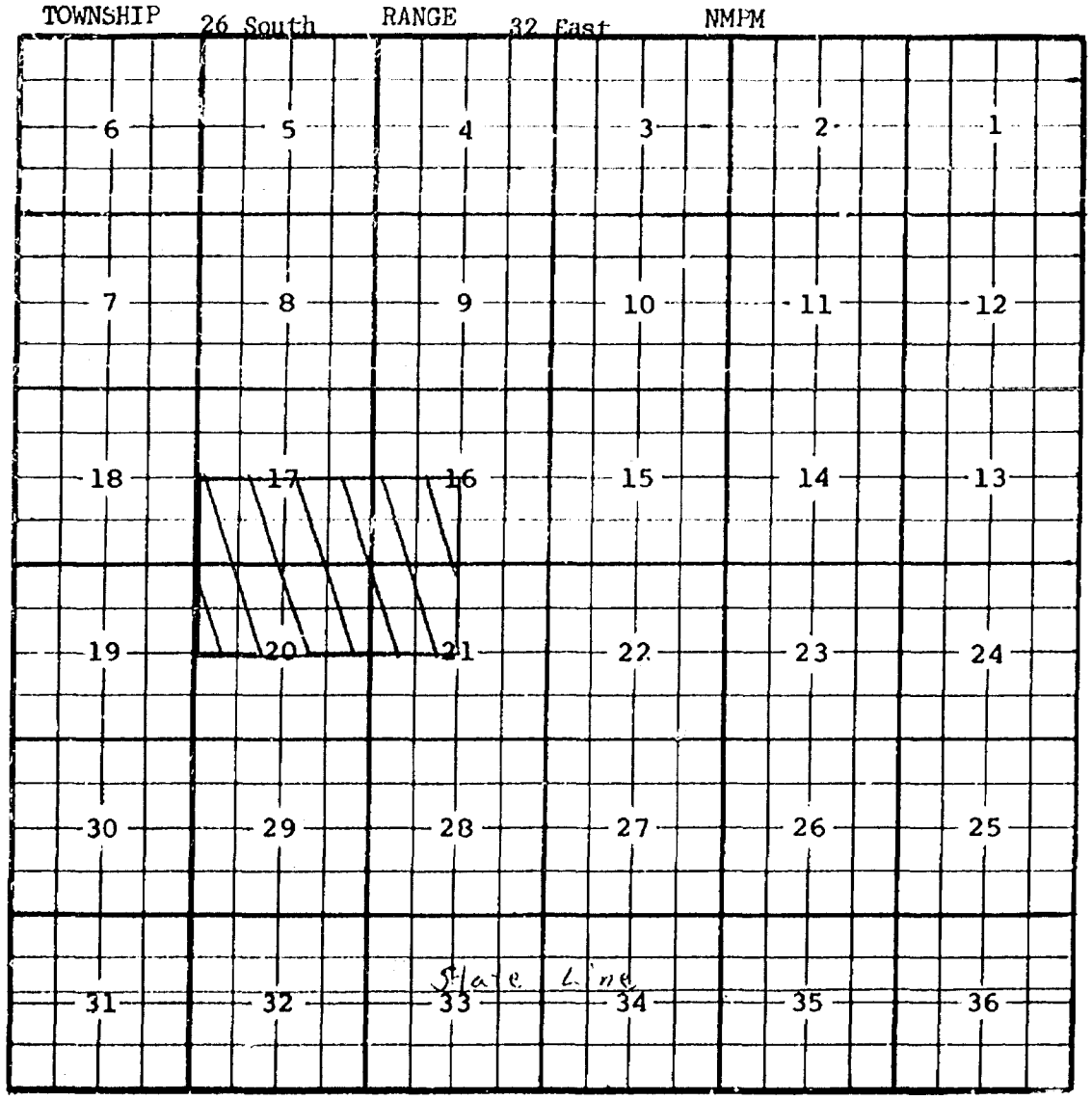
AMERADA PETROLEUM CORPORATION - State WE "K" #1 in Unit F of Section 15-21-35. Completed in Morrow on May 14, 1967. Top of Perforations 12,004'.

Proposed pool boundary colored in red. SECTION 15: N/2

CASE 3688: (e) ABOLISHMENT OF AN EXISTING OIL POOL

COUNTY LEA POOL EAST MASON-DELAWARE

TOWNSHIP 26 South RANGE 32 East NMPM



PURPOSE: To consolidate two pools producing from the same reservoir with contiguous pool boundaries.

Proposed pool abolishment colored in blue.

SECTION 16: SW/4

SECTION 17: S/2

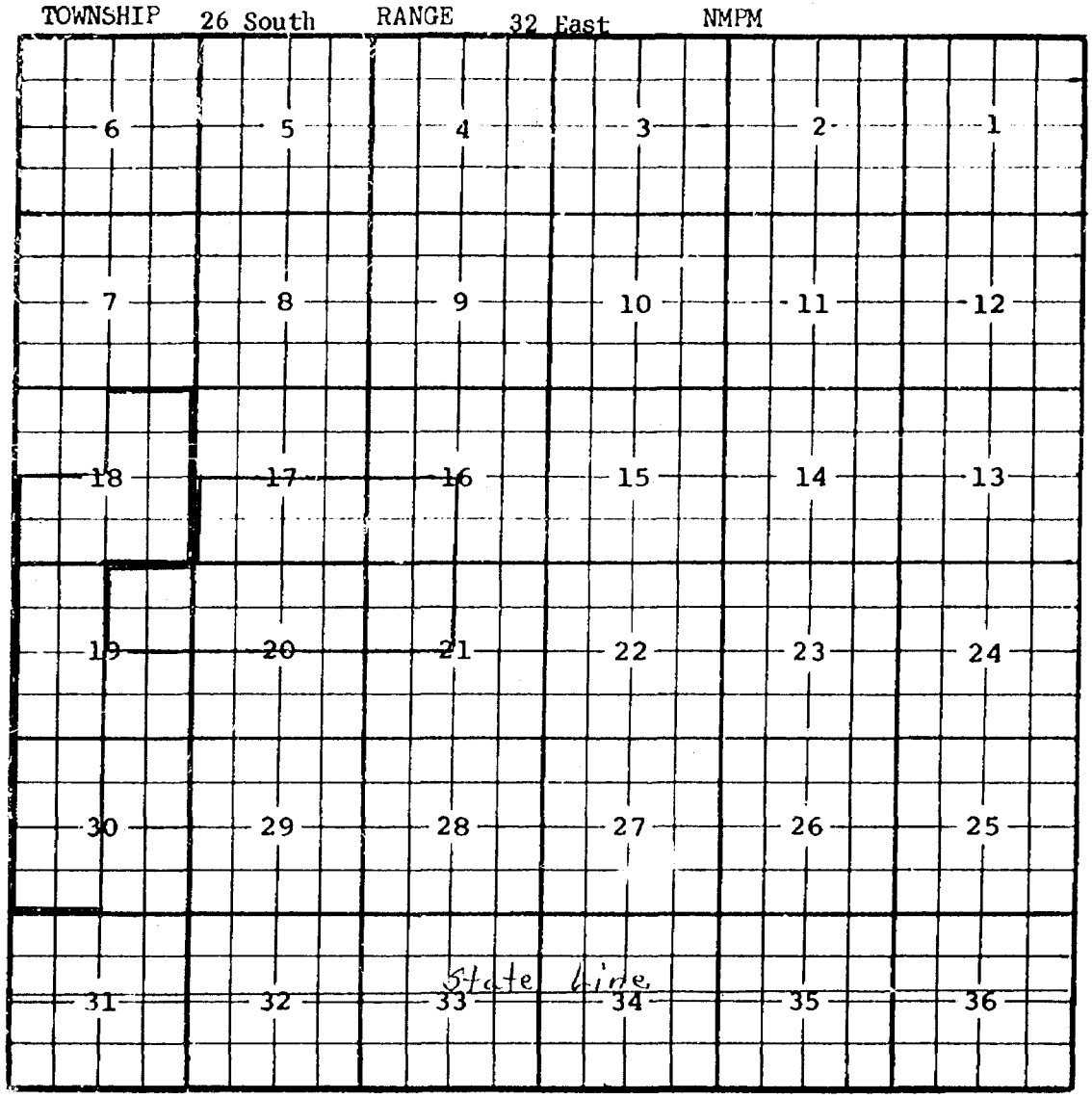
SECTION 20: N/2

SECTION 21: NW/4

CASE 3688: (f) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL NORTH MASON-DELAWARE

TOWNSHIP 26 South RANGE 32 East NMPM



PURPOSE: To include the abolished acreage from the East Mason-Delaware Pool.

Pool boundary colored in red.

Proposed pool extensions colored in green.

SECTION 16: SW/4

SECTION 17: S/2

SECTION 19: NE/4

SECTION 20: N/2

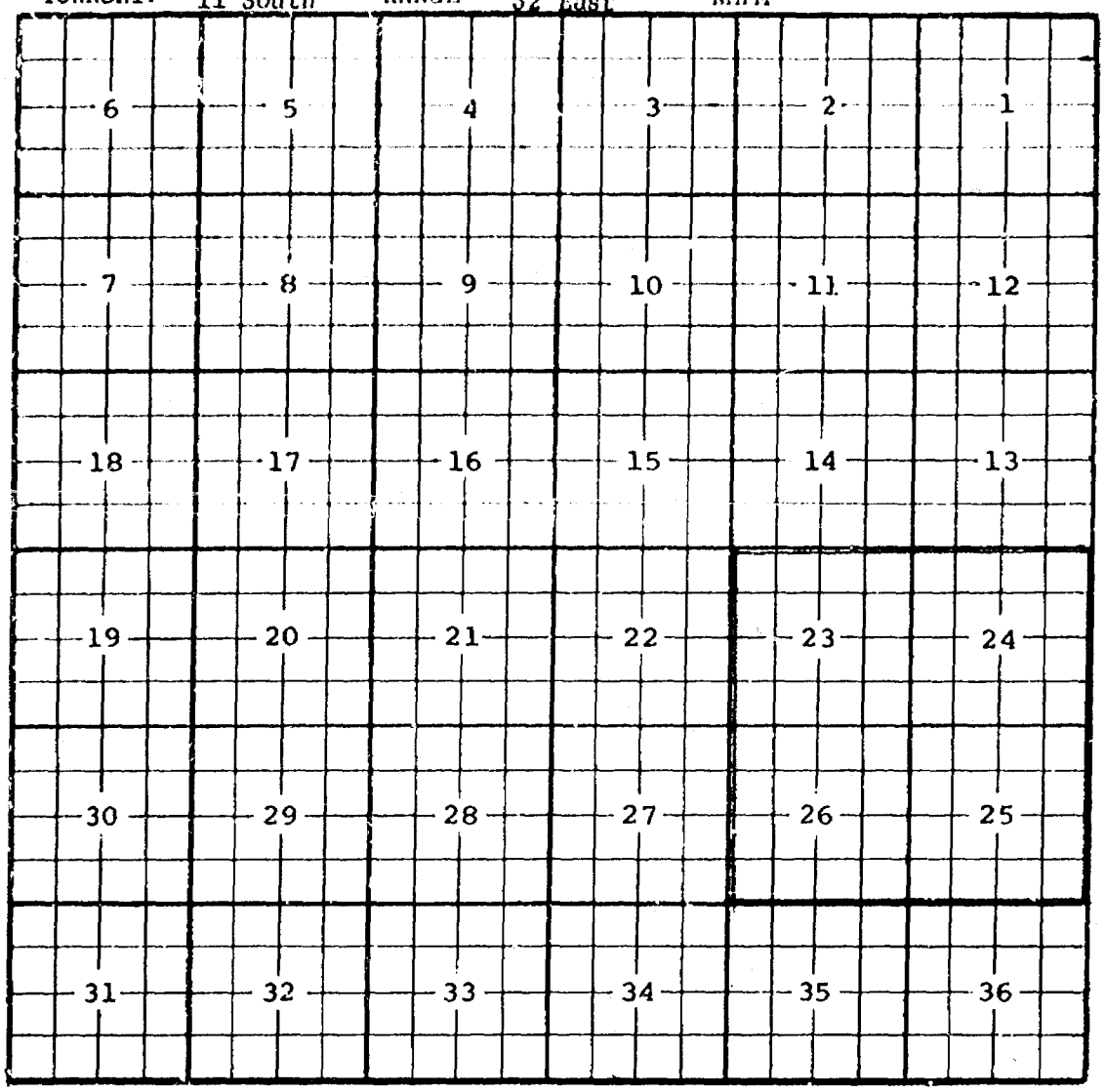
SECTION 21: NW/4

CASE 3688: (g) REDEFINITION OF VERTICAL LIMITS OF AN EXISTING OIL POOL

COUNTY LEA POOL MOORE-PENNSYLVANIAN REDESIGNATED MOORE-PERMO PENNSYLVANIAN

TO BE DISMISSED

TOWNSHIP 11 South RANGE 32 East NMPM



PURPOSE: To redefine vertical limits because of the discovery of oil in the base of the Wolfcamp zone.

Special Vertical Limits: From the shale break at 8258 feet to the top of the Mississippian at 9974 feet as in Amerada Petroleum Corporation, State "MA" No. 1, located in Unit M of Section 24, Township 11 South, Range 32 East.

Pool boundary colored in red. SECTION 23: All

SECTION 24: All

SECTION 25: All

SECTION 26: All

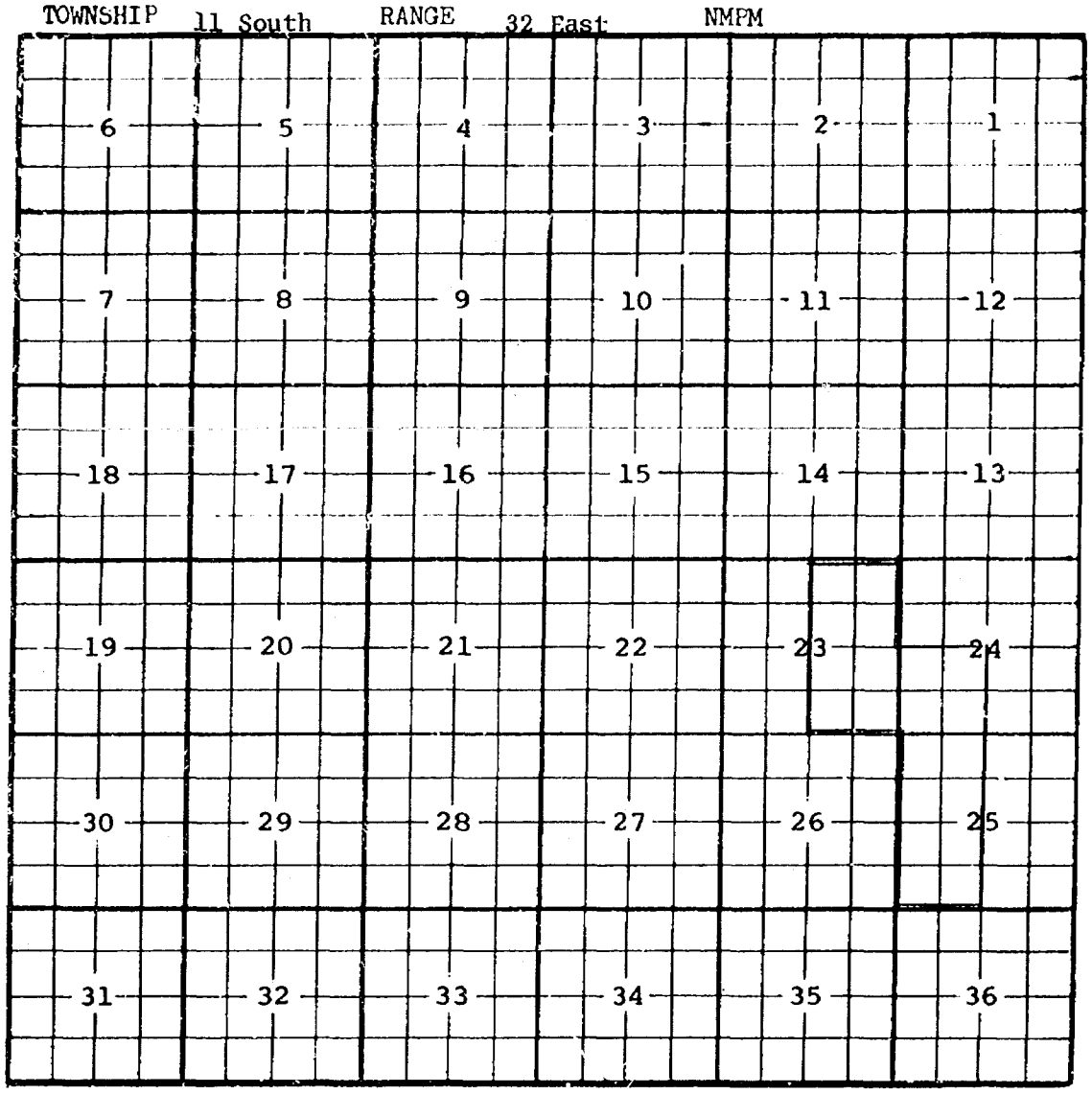
TO BE DISMISSED PENDING FURTHER STUDY.

CASE 3688: (h) REDEFINITION OF VERTICAL LIMITS OF AN EXISTING GAS POOL

COUNTY LEA POOL MOORE-WOLFCAMP GAS

TO BE DISMISSED

TOWNSHIP 11 South RANGE 32 East NMPM



PURPOSE: To redefine vertical limits because of the discovery of an oil producing zone in the base of the Wolfcamp zone.

Special Vertical Limits: From the top of the Wolfcamp at 8042 feet to the shale break at 8258 feet as in Amerada Petroleum Corporation, State "MA" #1, located in Unit M of Section 24, Township 11 South, Range 32 East.

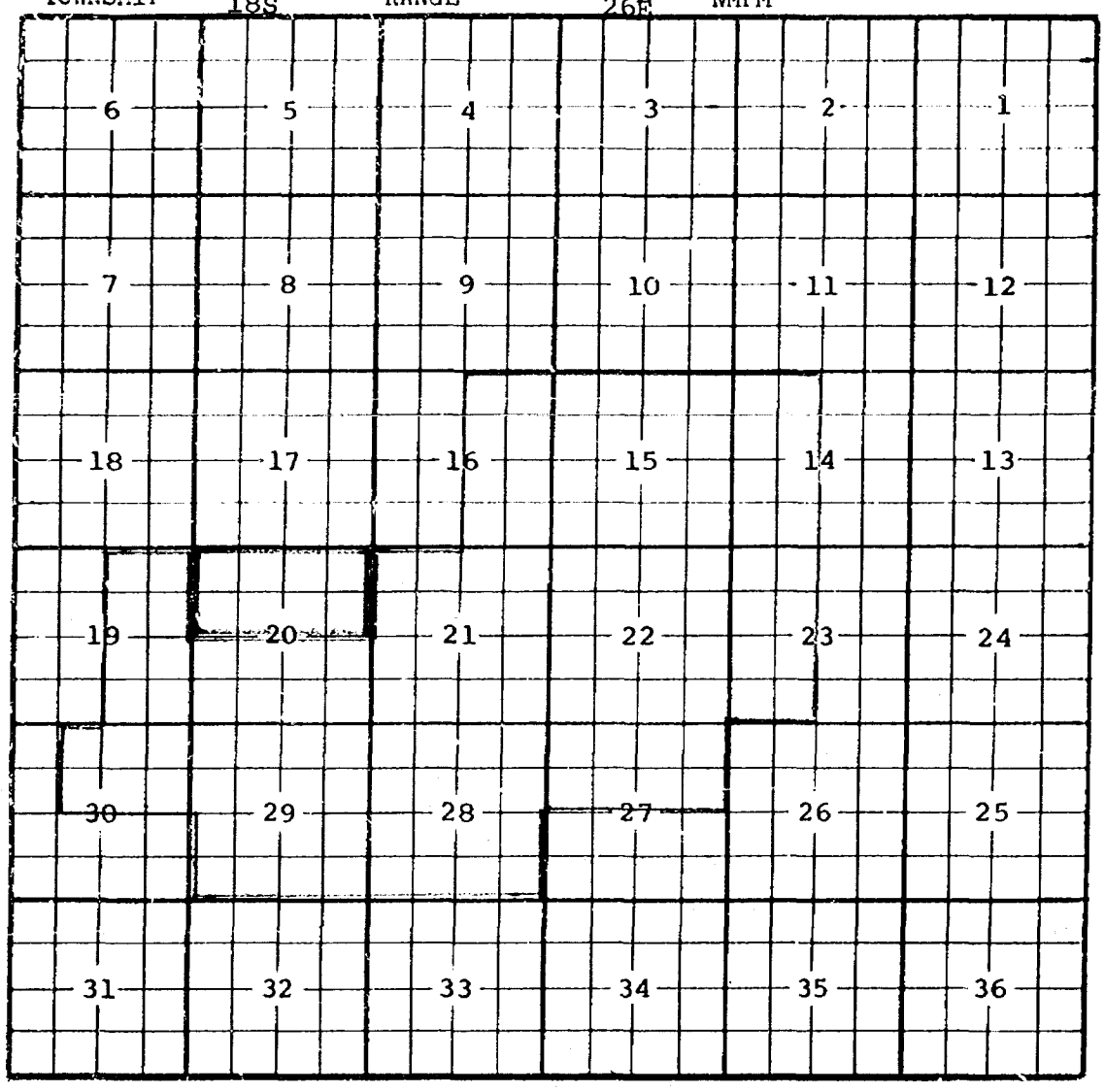
Pool boundary colored in red. SECTION 23: E/2
SECTION 24: SW/4
SECTION 25: W/2

TO BE DISMISSED PENDING FURTHER STUDY.

CASE 3688: (i) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy POOL Atoka-Pennsylvanian Gas

TOWNSHIP 18S RANGE 26E NMPM



Purpose: One completed gas well capable of producing.

Charles B. Read, Irene Brainard Gas Com. well No. 1 in unit E of section 20-18-26. Completed in Pennsylvanian September 13, 1967, through perforations 8900 to 8944.

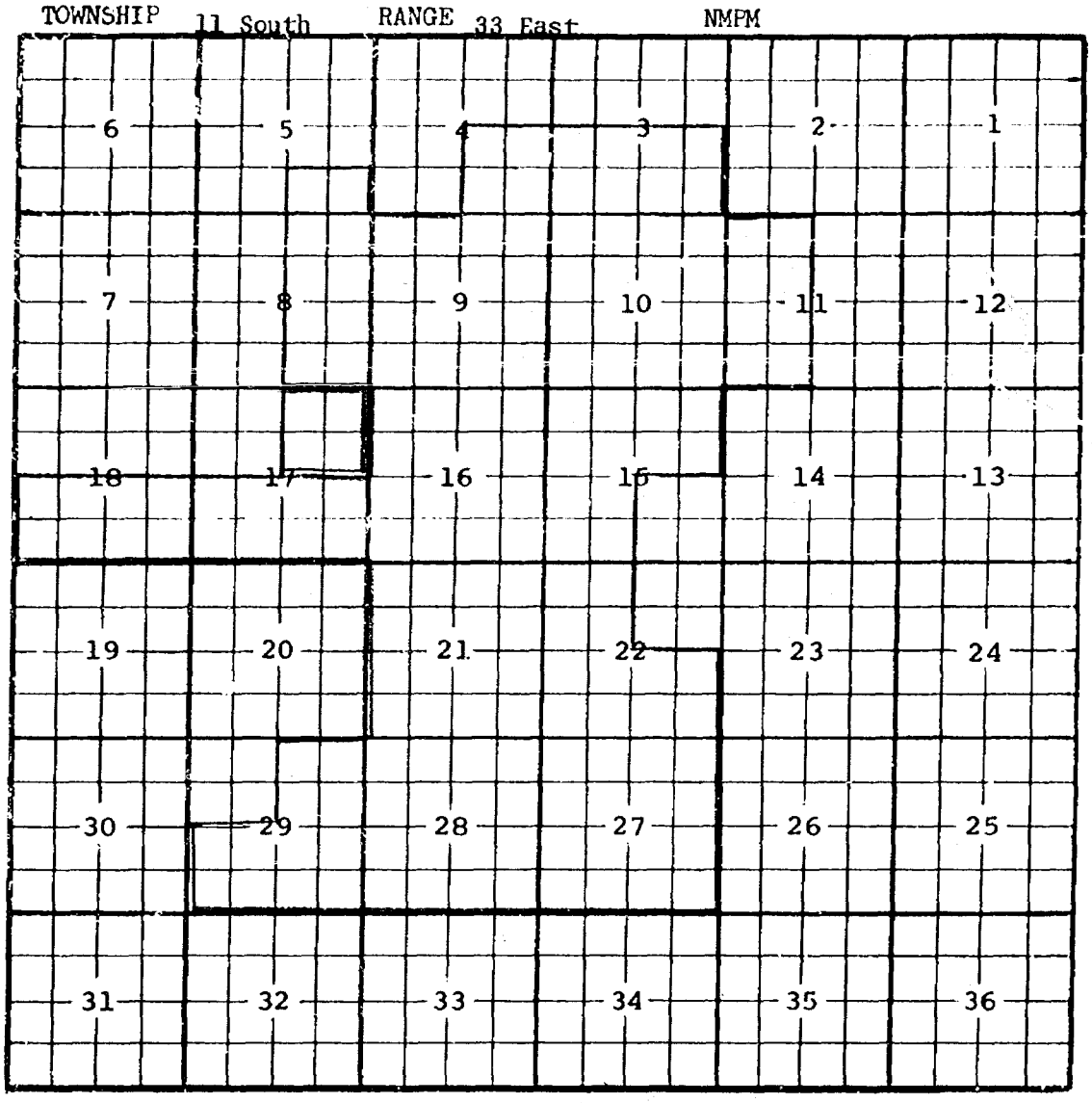
Pool boundary colored in red.

Proposed extension colored in green. Section 20: N/2

CASE 3688: (j) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL NORTH BAGLEY-LOWER PENNSYLVANIAN

TOWNSHIP 11 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

STOLTZ & COMPANY-CLARK - Shell State #1 in Unit H of Section 17-11-33. Completed in Lower Pennsylvanian on September 25, 1967. Top of Perforations 9882'.

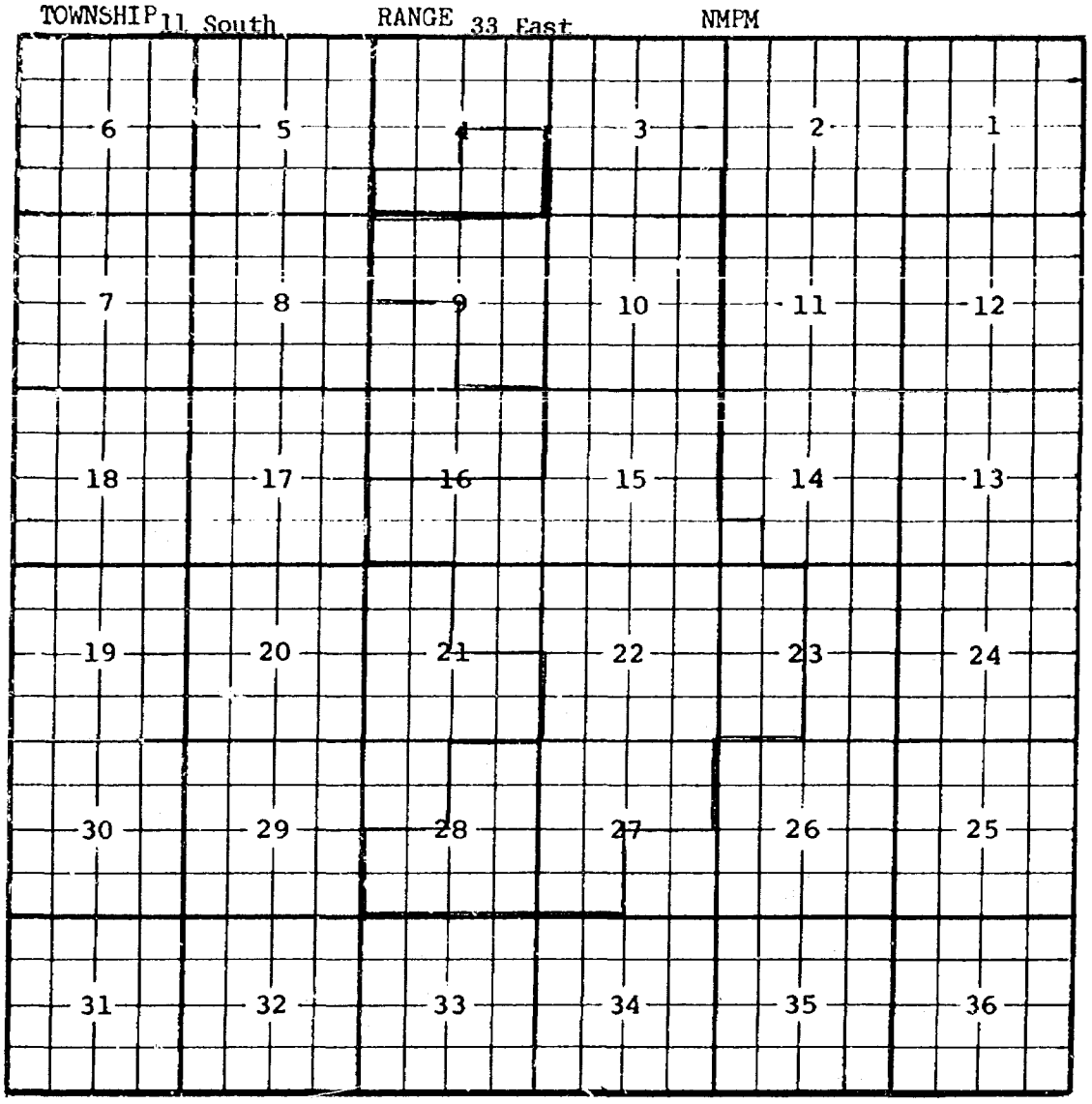
Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 17: NE/4

CASE 3688: (k) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL NORTH BAGLEY-UPPER PENNSYLVANIAN

TOWNSHIP 11 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

STOLTZ & COMPANY-CLARK - Sohio "A" State #1 in Unit O of Section 4-11-33. Completed in Upper Pennsylvanian on September 7, 1967. Top of Perforations 9462'.

ADDITION--STOLTZ & COMPANY-CLARK - Lulu #1 in Unit N of Section 4-11-33. Completed in Upper Pennsylvanian on November 2, 1967. Top of Perforations 9470'.

Pool boundary colored in red.

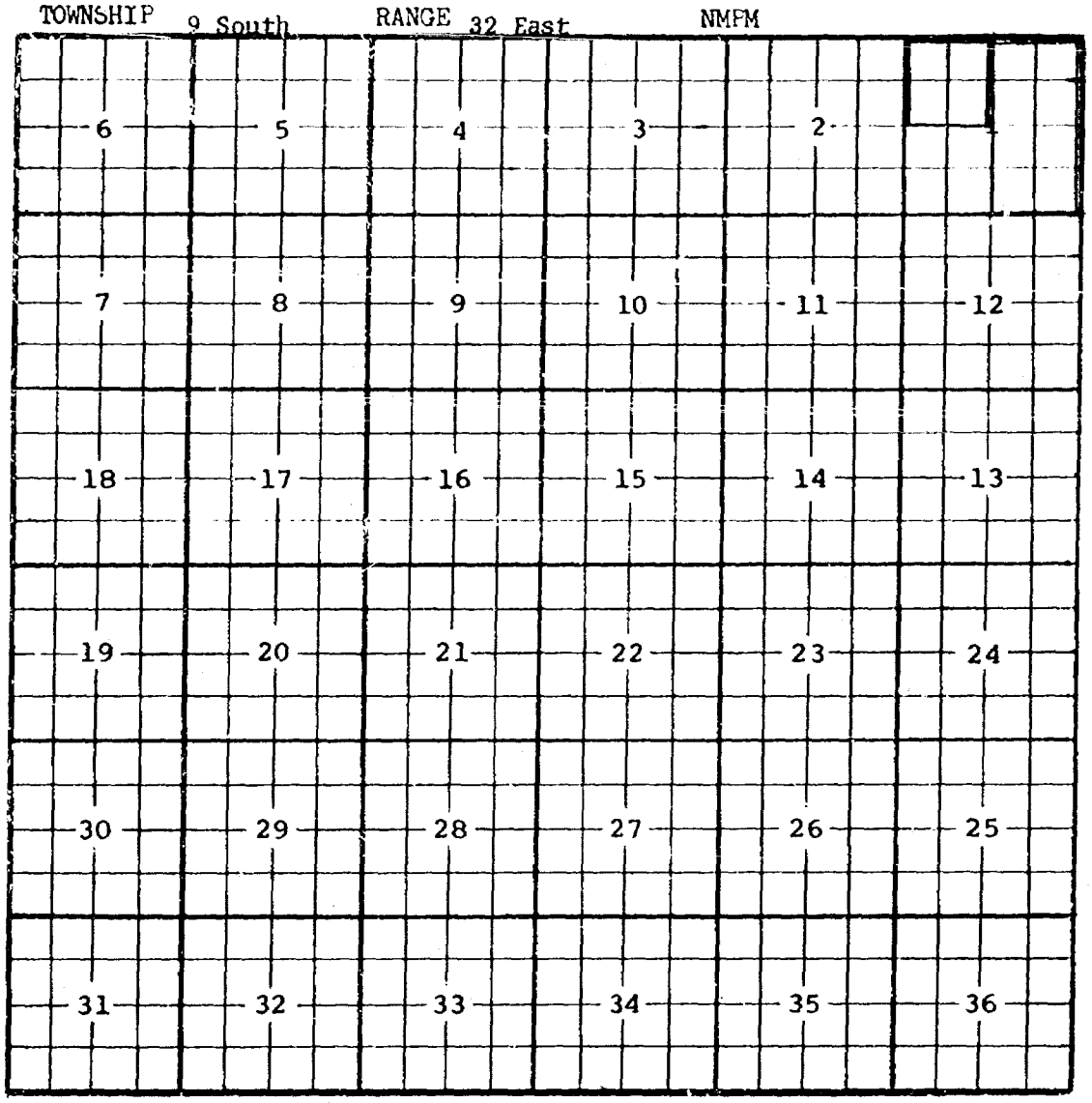
Proposed pool extensions colored in green. SECTION 4: SE/4

ADDITION----SECTION 4: S/2 SW/4

CASE 3688: (1) EXTENSION OF AN EXISTING OIL POOL

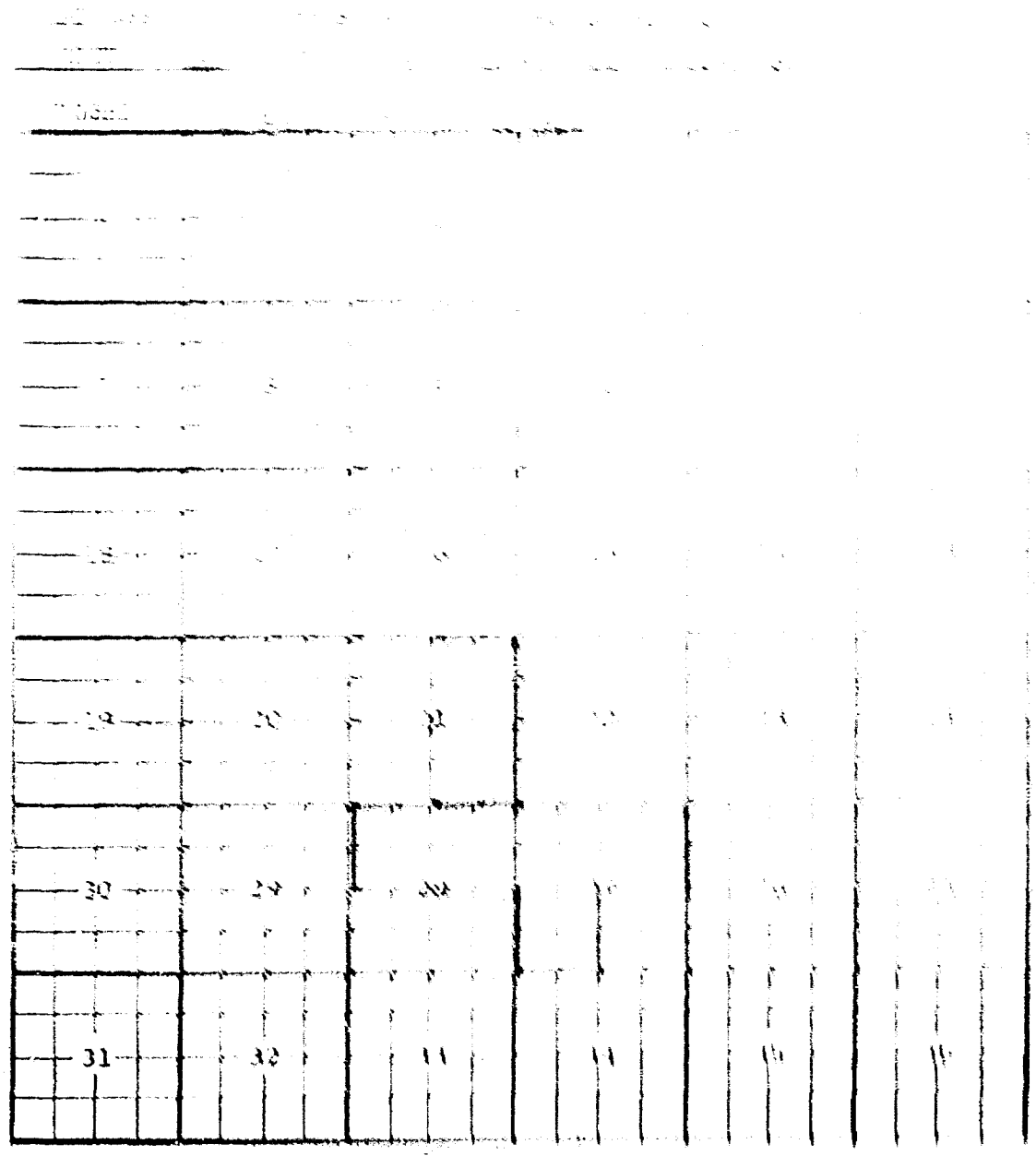
COUNTY LEA POOL BAR U-PENNSYLVANIAN

TOWNSHIP 9 South RANGE 32 East NMPM



PURPOSE: One completed oil well capable of producing.

ROGER C. HANKS, LTD. - Bridwell State #2 in Unit C of Section 1-9-32. Completed in Bough C on September 15, 1967. Top of Perforations 9053'. Pool boundary colored in red. Proposed pool extension oolored in green. SECTION 1: NW/4



PURPOSE: One completed gas well capable of production

AZTEC OIL & GAS COMPANY - Federal NA #4 in Unit [illegible] of section 31 [illegible]

Completed in Morrow on July 28, 1987. Top of Perforations [illegible]

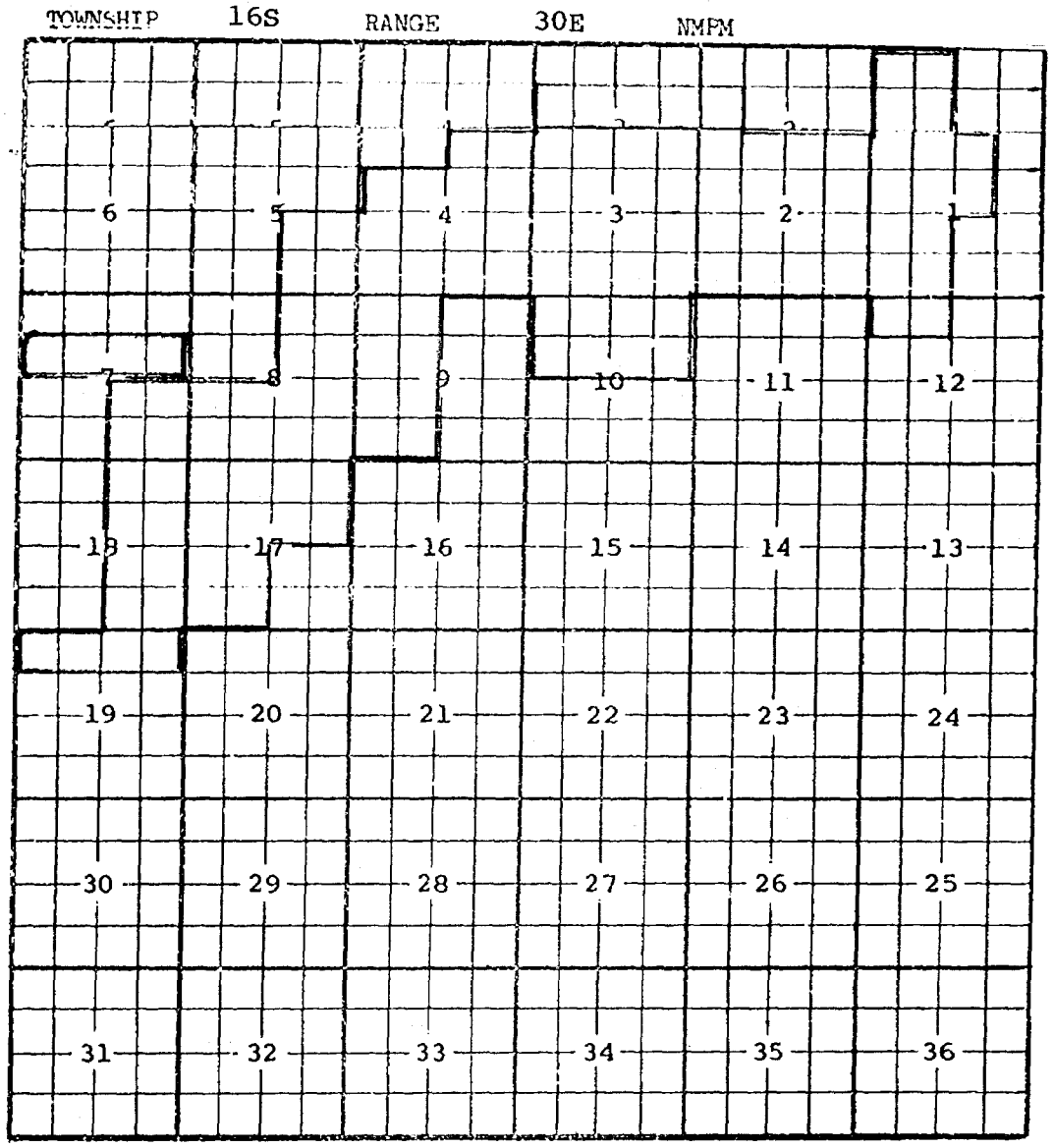
Pool boundary colored in red.

Proposed pool extension colored in green: [illegible]

CASE 3688: (n) EXTENSION OF AN EXISTING OIL POOL

COUNTY Eddy POOL West Henshaw-Grayburg

TOWNSHIP 16S RANGE 30E NMPM



Purpose: One completed gas well, in an oil pool, capable of producing.

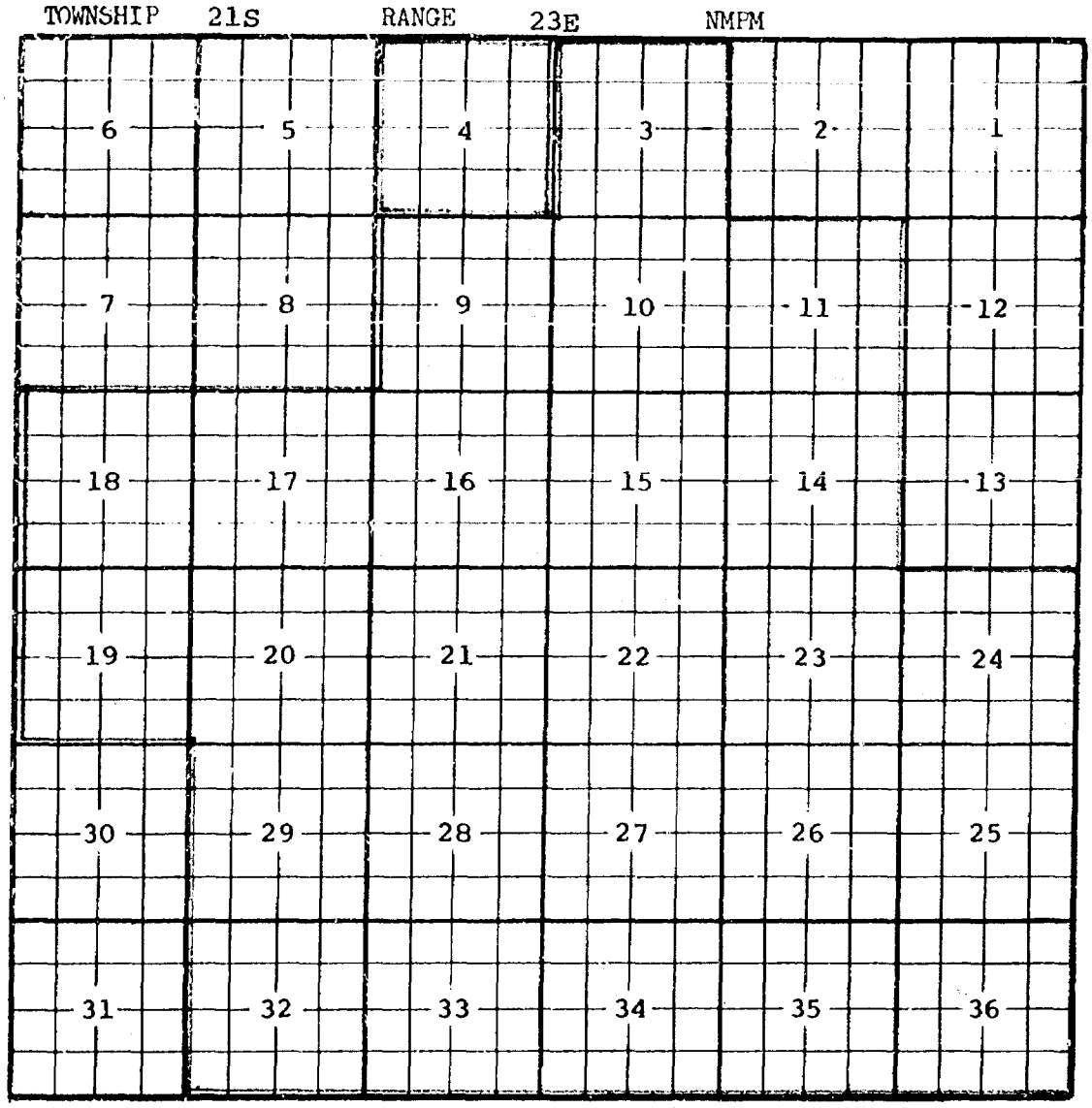
Tenneco Oil Co, Hagerty Federal Well No. 8 in unit E of Section 7-16-30. Completed in Grayburg September 9, 1967, in open hole from 2600' to 2658'.

Pool boundary colored in red.
Proposed extension colored in green. Section 7: S/2 N/2

CASE 3688: (o) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy POOL Indian Basin-Upper Pennsylvanian Gas

TOWNSHIP 21S RANGE 23E NMPM



Purpose: One completed gas well capable of producing.

Marathon Oil Co. North Indian Basin Unit Gas Com. well No.6 in unit J of Section 4-21-23. Completed in Upper Pennsylvanian September 9, 1967, through perforations 7230 to 7404.

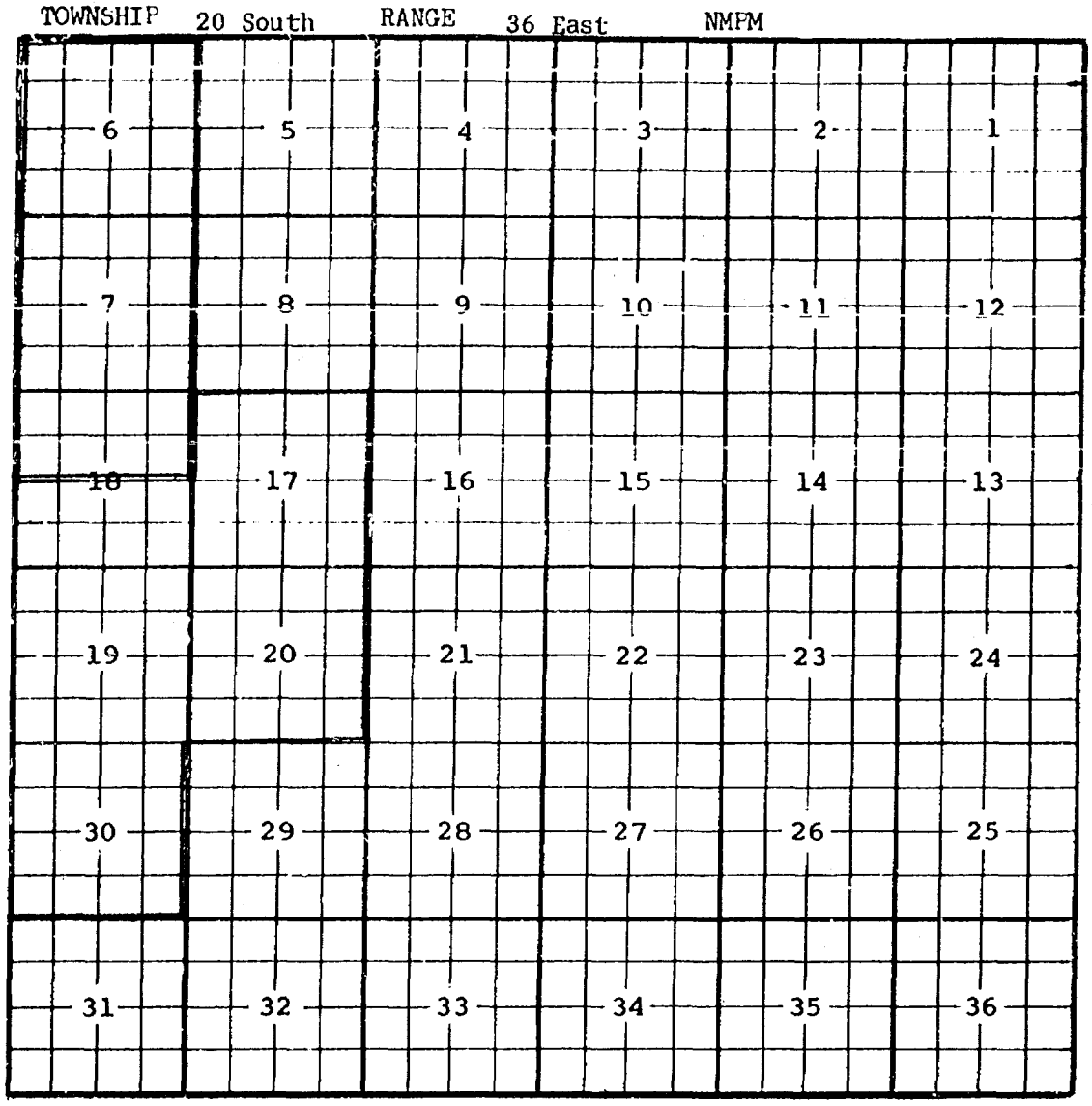
Pool boundary colored in red.

Proposed extension colored in green. Section 4: All

CASE 3688: (p) EXTENSION OF AN EXISTING GAS POOL

COUNTY LEA POOL NORTH OSUDO-MORROW GAS

TOWNSHIP 20 South RANGE 36 East NMPM



PURPOSE: One completed gas well capable of producing.

MALLARD PETROLEUM, INC. - Alves #1 in Unit P of Section 6-20-36. Completed in Morrow Sand on October 15, 1967. Top of Perforations 12,100'.

Pool boundary colored in red.

Proposed pool extensions colored in green. SECTION 6: All

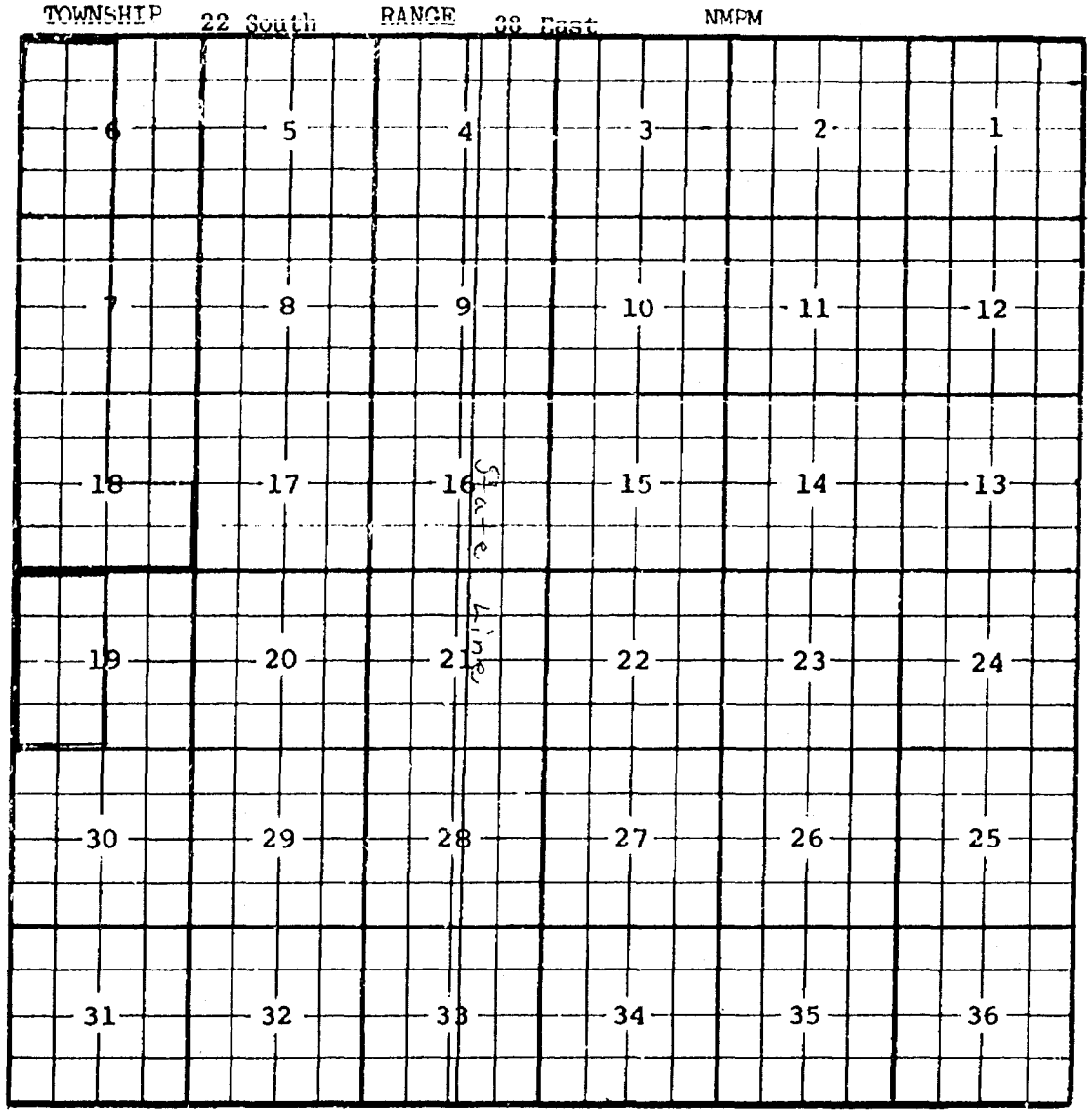
SECTION 7: All

SECTION 18: N/2

CASE 3688: (q) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL PADDOCK

TOWNSHIP 22 South RANGE 38 East NMPM



PURPOSE: One completed oil well capable of producing.

ERNEST A. HANSON - Max Gutman #2 in Unit L of Section 19-22-38. Completed in Paddock on July 19, 1967. Top of Perforations 5121'.

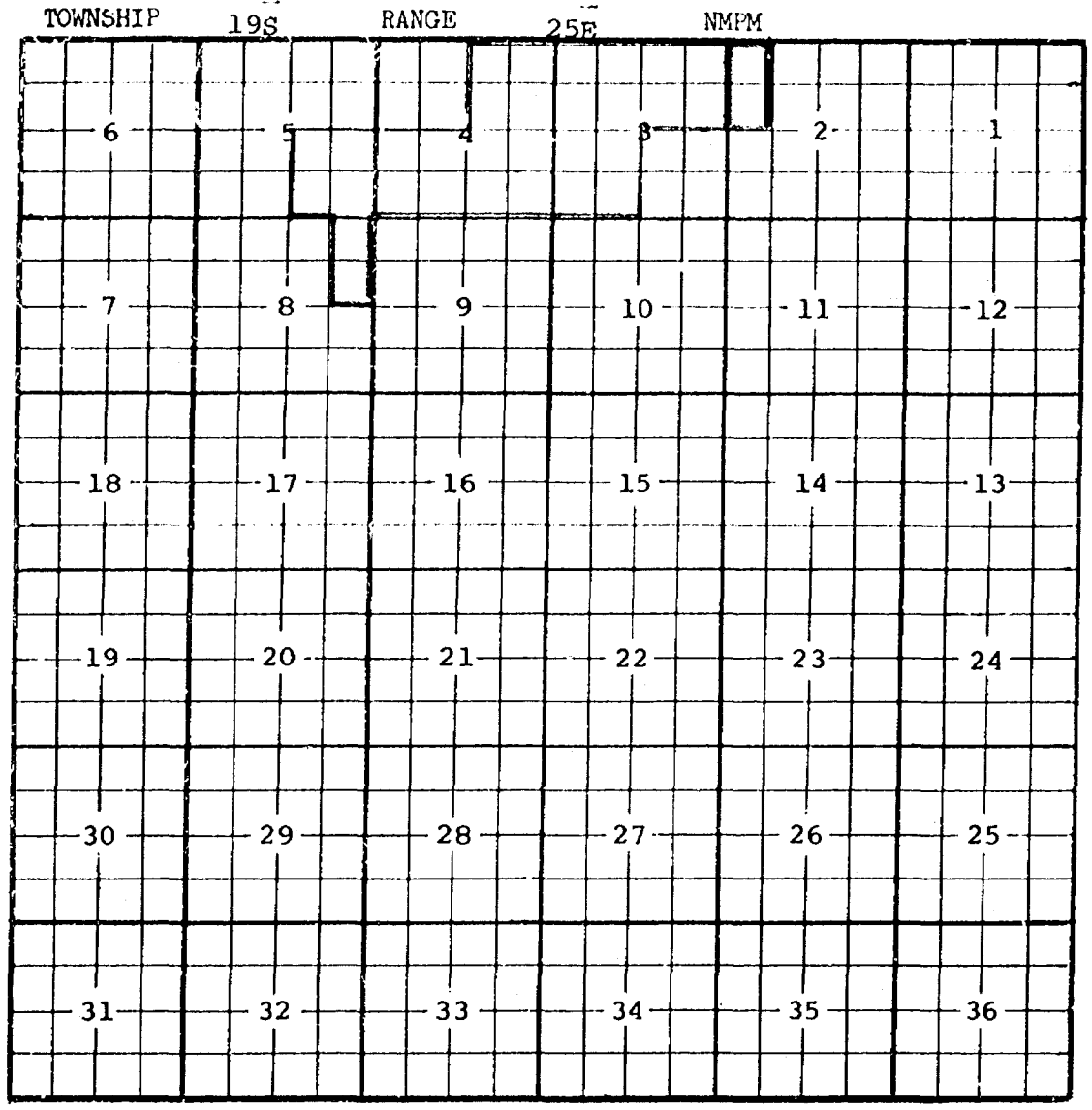
Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 19: W/2

CASE 3688: (r) EXTENSION OF AN EXISTING OIL POOL

COUNTY Eddy POOL Penasco Draw-San Andres-Yeso

TOWNSHIP 19S RANGE 25E NMPM



Purpose: One completed oil well capable of producing.

Yates Petroleum Corporation, C. A. Land & Cattle Co. well No. 1 in unit E of Section 2-19-25. Completed in San Andres-Yeso September 4, 1967, through perforations 1365' to 2560'.

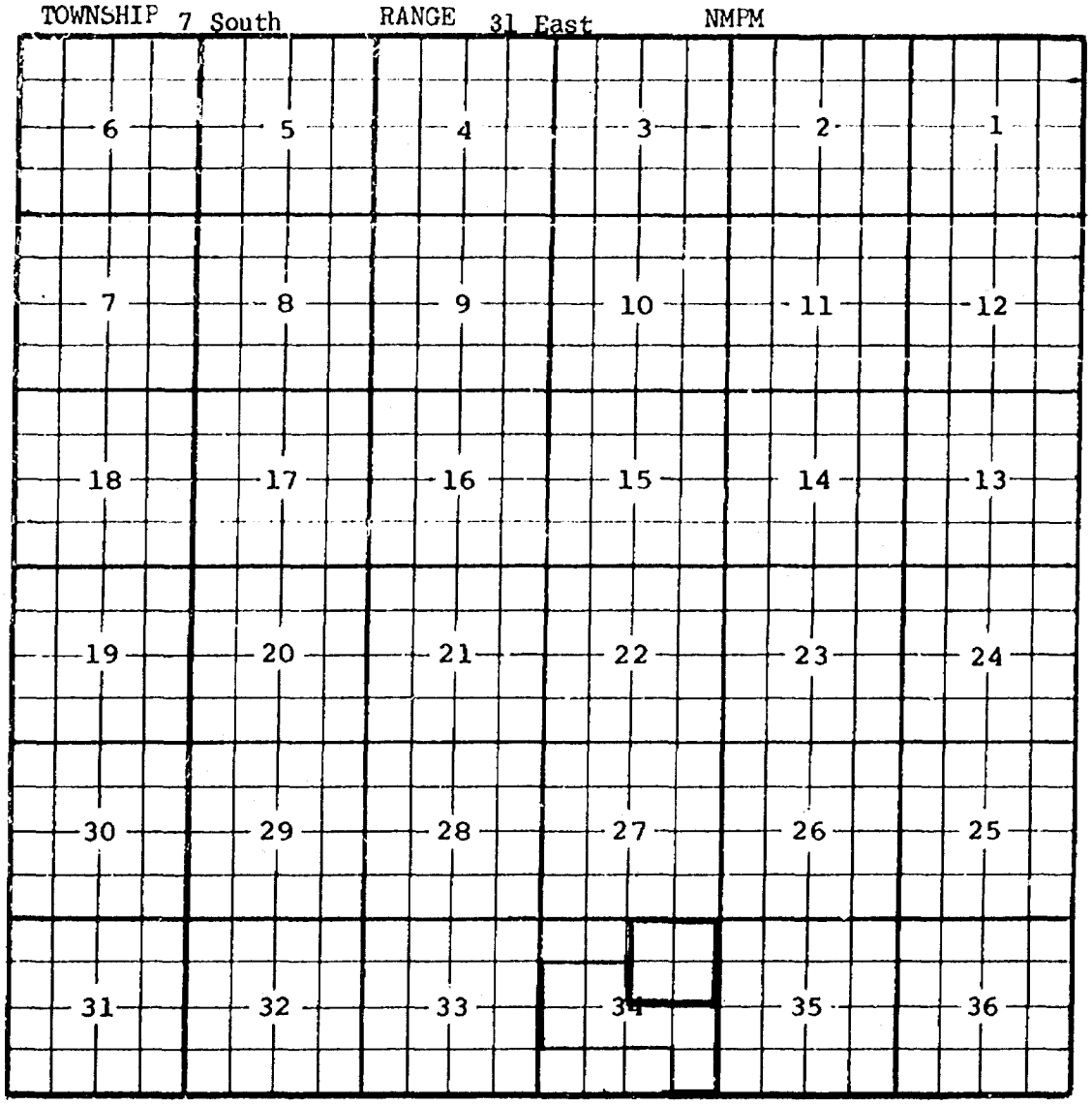
Pool boundary colored in red.

Proposed extension colored in green. Section 2: W/2 NW/4

CASE 3688: (s) EXTENSION OF AN EXISTING OIL POOL

COUNTY CHAVES POOL TOM-TOM SAN ANDRES

TOWNSHIP 7 South RANGE 31 East NMPM



PURPOSE: One completed oil well capable of producing.

PAN AMERICAN PETROLEUM CORPORATION - Miller Federal #3 in Unit H of Section 34-7-31. Completed in San Andres on August 28, 1967. Top of Perforations 3926'.

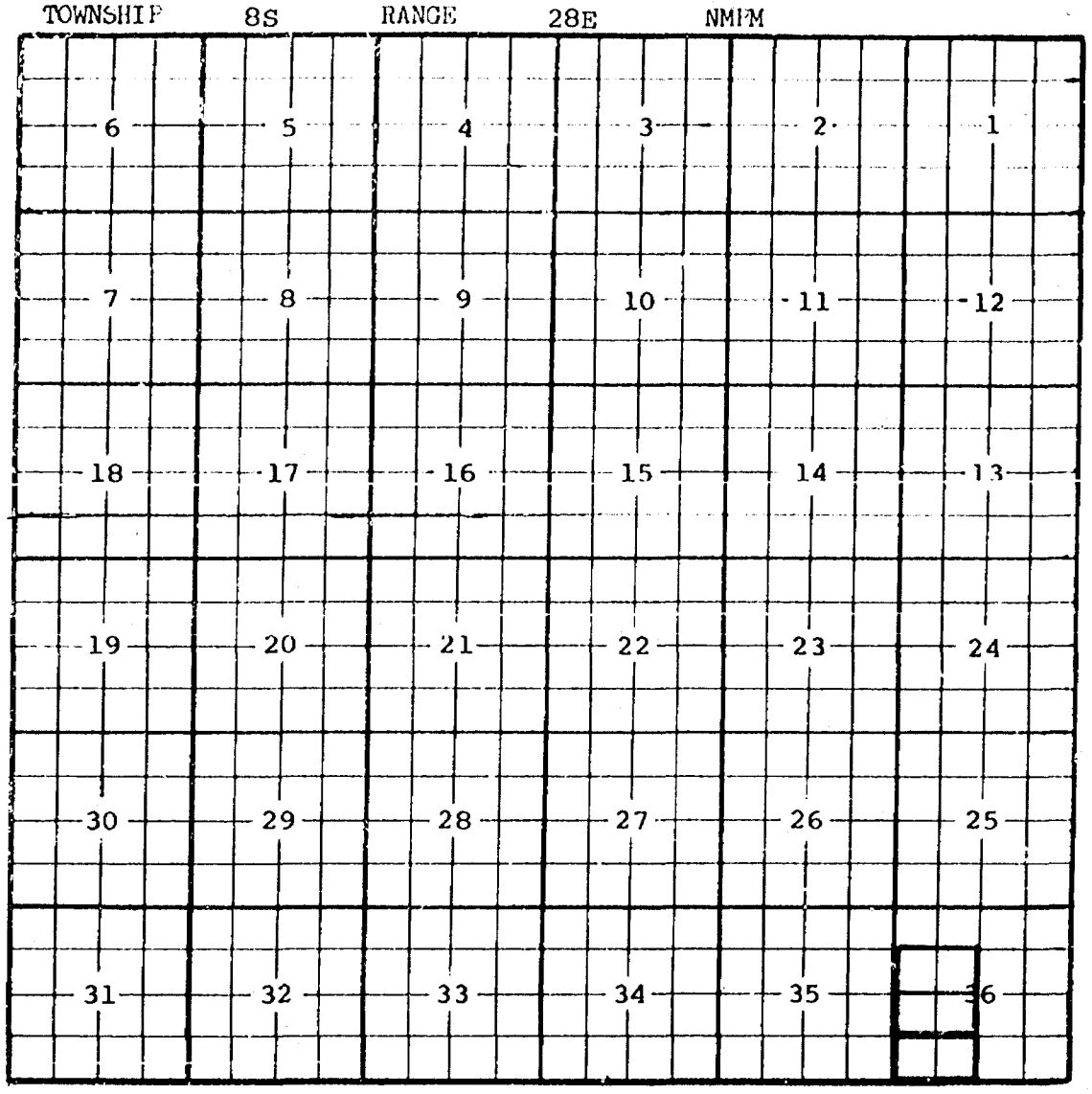
Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 34: NE/4

CASE 3688: (t) EXTENSION OF AN EXISTING OIL POOL (Continued on next page)

COUNTY Chaves POOL Twin Lakes-San Andres

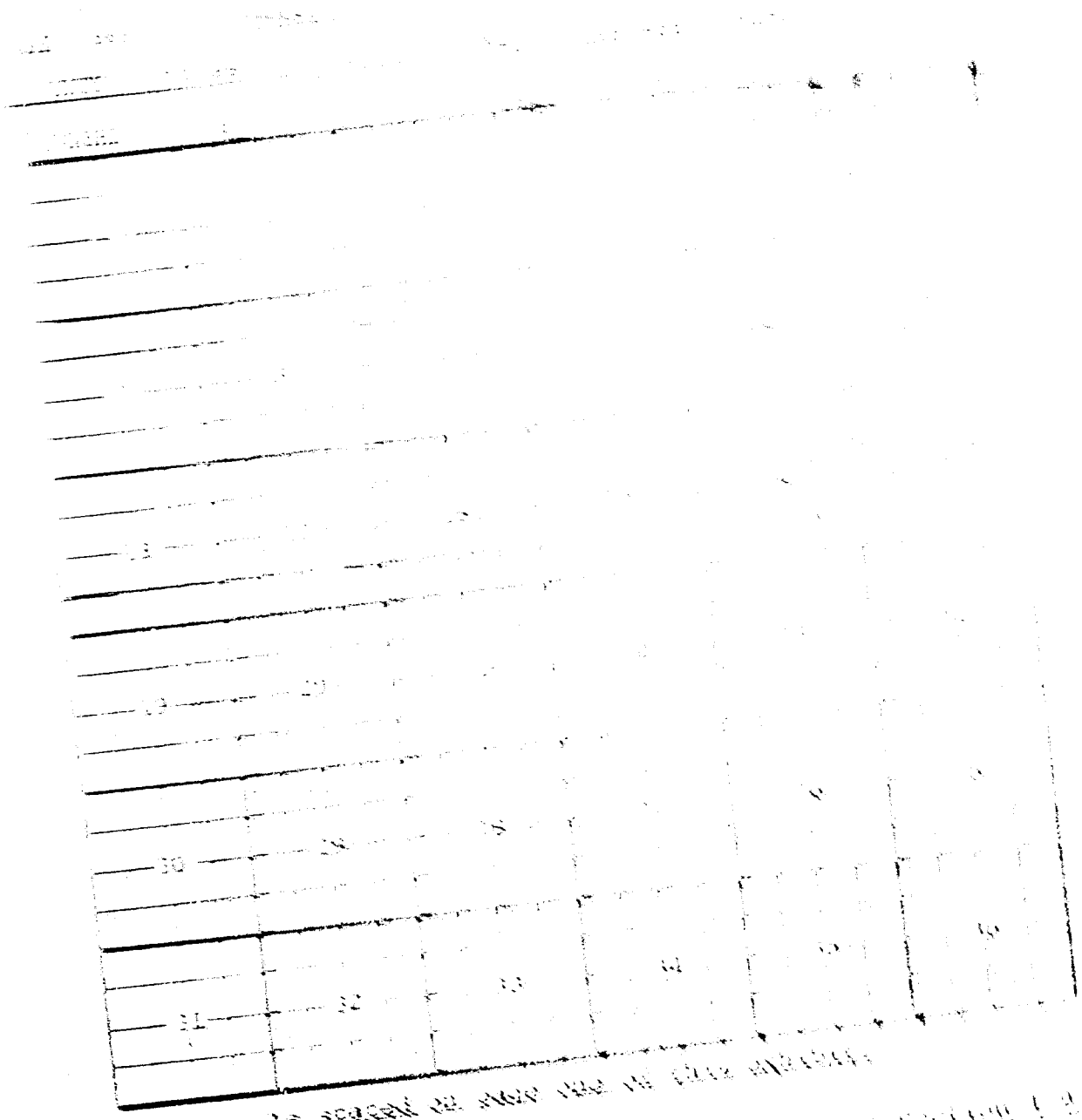
TOWNSHIP 8S RANGE 28E NMPM



Purpose: Four completed oil wells capable of producing.

H. N. Sweeney, Citgo State well No. 3 in unit K of Section 36-8-28. Completed in San Andres August 31, 1967, through perforations 2588' to 2603'.
Addition: H. N. Sweeney, Citgo State well No. 4 in unit F of Section 36-8-28. Completed in San Andres October 4, 1967, through perforations 2590' to 2608'.

Pool boundary colored in red.
Proposed extension colored in green. Section 36: N/2 SW/4
Addition: Section 36: S/2 NW/4



Purpose: As stated on page one of this application.

E. N. Sweeney, O'Brien A well No. 1 in unit A of Section 1, T. 9 N., R. 28 E. Completed in San Andres September 3, 1967 through perforations 2622' to 2646'.

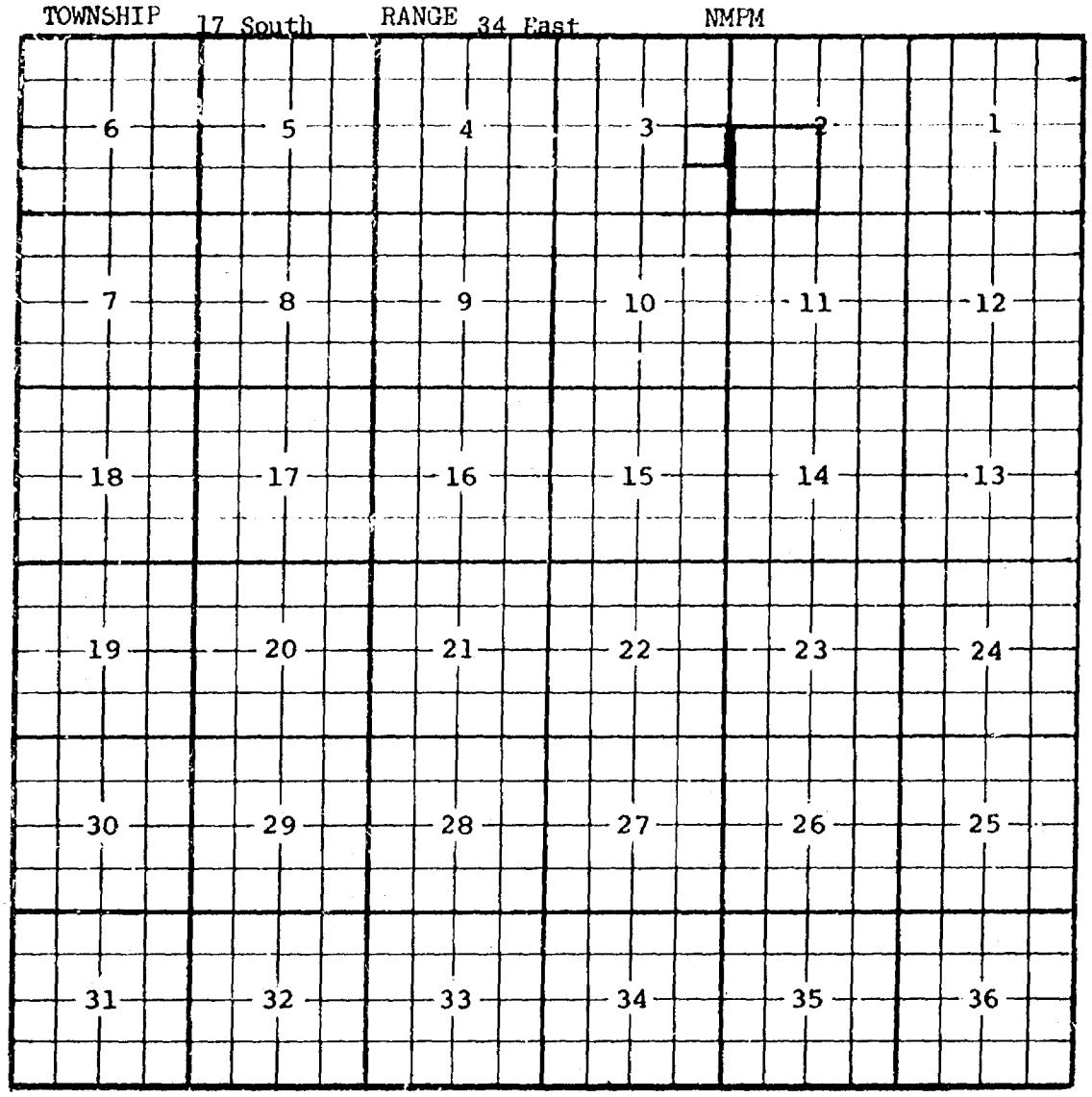
E. N. Sweeney, O'Brien B well No. 1 in unit H of Section 1, T. 9 N., R. 28 E. Completed in San Andres September 20, 1967 through perforations 2584' to 2590'.

Pool boundary colored in red.
Proposed extension colored in green. Sections 1, T. 9 N., R. 28 E.
Sections 36, T. 10 N., R. 28 E.

CASE 3688: (u) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL NORTHWEST VACUUM-ABO

TOWNSHIP 17 South RANGE 34 East NMPM



PURPOSE: One completed oil well capable of producing.

PENNZOIL COMPANY - Marathon State #1 in Unit L of Section 2-17-34. Completed in Abo on September 13, 1967. Top of Perforations 8664'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 2: SW/4