BEFORE THE

Oil Conservation Commission September 16, 1954

IN THE MATTER OF:

Regular Hearing 760

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS

ROOMS 105, 106, 107 EL CORTEZ BUILDING TELEPHONE 7-9546 ALBUQUERQUE, NEW MEXICO

BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico September 16, 1954

IN THE MATTER OF:

Southeastern New Mexico nomencal ture case, { calling for the following pool creations and extensions:

- (a) Creation of the Gem-Yates Pool for production of oil from the Yates, described
 as:
 Township 19 South, Range 33 East, NMPM
 S/2 Section 29; N/2 Section 32
- (b) Creation of the Hardin-Abo Pool for production of oil from the Abo, described as:

 Township 20 South, Range 39 East, NMPM
 All Section 30

Case No. 760

- (c) Creation of the West Caprock-Queen Pool for production of oil from the Queen, described as:
 - Township 12South, Range 32 East, NMPM All Sections 16 and 17
- (d) Extension of the Allison-Pennsylvanian Pool to include therein:
 - Township 9 South, Range 36 East, NMPM S/2 Section 2
- (e) Extension of the Pearsall Pool to include therein:
 - Township 17 South, Range 32 East, NMPM All Section 25
 - (f) Extension of the Terry-Blinebry Pool to include therein:

Township 21 South, Range 37 East, NMPM Lots 11, 12, 13 and 14 of Section 2; Lots 1 through 8, incl., of Section 3; Lots 1 through 8, incl., of Section 4

Township 20 South, Range 38 East NMPM S/2 Section 32; S/2 Section 33

(g) Extension of the Townsend-Wolfcamp Pool to include therein:

Township 16 South, Range 35 East, NMPM N/ 2 Section 8

(h) Extension of the Eumont Gas Pool to include therein:

Township 20 South, Range 36 East, NMPM SE/4 Section 15; E/2 Section 22; SW/4 Section 23; W/2 Section 26; All Sections 27, 33 and 34; W/2 Section 35

(i) Extension of the Drickey-Queen Pool (in Chaves County) to include therein:

Township 14 South, Range 31 East, NMPM All Sections 2 and 3

BEFORE:

Honorable Edwin L. Mechem Mr. E. S. (Johnny) Walker Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 760. Mr. Stanley?

S. J. STANLEY,

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

DIRECT EXAMINATION

By MR. YOST:

- Q State your name, please.
- A S. J. Stanley.
- Q What is your position, Mr. Stanley?
- A Engineer with the Oil Conservation Commission.

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TELEPHONE 3-6691

Q Are you acquainted with the subject matter of the Case Number 760?

A I am.

Q Have you, in connection with that case prepared certain exhibits?

A I have.

(Marked Commission's Exhibits 1 to 13 inclusive, for identification.)

Q I hand you what has been marked Commission's Exhibits 1 to 13 inclusive, and ask you if those are the exhibits you have prepared?

A They are.

Q Please state what they show.

A Well, these exhibits showed the creations and extensions of pools as advertised with certain exceptions.

Q Well locations?

A Yes.

(Marked Commission's Exhibit 14, for identification.)

Q And, now, also, I hand you what has been marked Commission's Exhibit 14 and ask you what that is?

A That is a letter to the Oil Conservation Commission of New Mexico from the Wilshire Oil Company of Texas.

Q And would you care to read that letter into the record?

A This letter pertains to Case 760, Paragraph B, addressed to the New Mexico Oil Conservation Commission, Santa Fe, New Mexico.

"Gentlemen: This company has recently completed an Abo Well on a Federal Lease in Section 30, Township 20 South, Range 39 East, in Lea County, New Mexico, and as there are no producing wells in

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On your docket dated 9-16-'54, on Case 760 (b), a field name of Hardin-Abo has been recommended by your Department.

The well is located on the old Carnigie Ranch which is called the D-K Ranch, and this name has been in use for sometime. It is our suggestion that the field be called the D-K Ranch-Abo, and we respectfully request your consideration of this name. The ranch is now owned by Earl Carnigie, son of the original owner. The elder Carnigiesettled in that portion of the country in 1907 and the ranch has been run by his son since his death in 1914.

The D-K is a registered brand and has been in use ever since the ranch was first started.

The suggested name by the Commission, Hardin, is the name of a ranch much to the south of this area and these settlers have not been in this part of the country nearly as long as the Carnigies.

Thanking you for your consideration, Very truly yours, Wilshire Oil Company of Texas, Signed A. T. Zindell, Jr, Division Petroleum Engineer."

MR. YOST: At this time we would like to offer Exhibits 1 to 14 in evidence.

MR. MACEY: Is there objection to the introduction of the exhibits?

A I would like to read into the record my recommendation of the exhibits.

MR. MACEY: If not the exhibits will be received in evidence.

Q Mr. Stanley, do you have any recommendations you care to make for this case, based on your exhibits and your knowledge of the matter?

A In Case 760, Paragraph (b), Wilshire Oil Company of Texas, since they have requested the pool name be changed, I have introduced a letter and the reason for requesting the change, and I feel they are reasonable and valid and, therefore, I recommend that the Commission name the pool D-K Abo Pool.

In Case 760, Paragraph (c) or Paragraph (h), it is recommended the following extensions be made, due to subsequent completions of the advertising date: They are to include the west half of Section 5 and all of Section 6, Township 19S, Range 37 East. This is necessary to make the pool contiguous with the well completed in Section 31, Township 18, South, Range 37 East.

Secondly, to include all of Section 31, Township 18, South,
Range 37 East, occasioned by the completion of the Skimmer-Horn,
Gulf State Number 1, Unit P of Section 31, Township 18 South, Range
37 East; also to include all of Section 28, Township 20 South, Range
36 East, occasioned by the completion of the Amerada Petroleum
Corporation Federal D, Number 2, Unit E, Section 28, Township 20
South, Range 36 East; and fourth, to include all of Section 1 and
the east half of Section 2, Township 20 South, Range 37 East,
occasioned by the completion of the Skimmer Horn Oil Corporation,
Mary B Weir, Number 1 in Section 1 of Township 20 South, Range 37
East.

Also, in Case 760, Paragraph (c), we wish to change the name of the pool name as advertised from the West Caprock-Queen Pool to the North Caprock-Queen Pool. After study, we found that this is necessary to avoid confusion and better describe the geographical position of the new pool.

MR. MACEY: Do you have anything further?

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A No. sir.

MR. MACEY: Any questions of the witness? If not the witness may be excused. Any comments or statements in the case? Did you have on your exhibits, Mr. Stanley, the completion information on the discovery wells?

A In Case 760 (a), the creation of the Gem-Yates Pool, it was accasioned by the completion of a well owned by Edward E. Kinney, Magnolia State No. 1, Unit B in Section 32, Township 19 South, Range 33 East, producing from the Yates formation and the top of the perforations are 3243. In the case of the D-K-Abo Pool was occasioned by the completion of a well operated by Wilshire Oil Company of Texas, Federal Number 12, and the top of the perforation of 7,248, I believe that was Federal Number 1, in Section 30, Township 20 South, Range 39 East. That is all of the new pools and that is all of the evidence.

MR. MACEY: You have got one more.

A Oh, yes, excuse me. In the creation of the North Caprock-Queen Pool occasioned by the completion of the Sunray Oil Corporation, State B Number 1 in Unit O of Section 16, Township 12 South, Range 32 East, and the casing-seat is at 3,008 feet; occasioned by the Great Western Drilling Company, State T Number 1, Unit P, Section 17, Township 12 South, Range 32 East. The casing seat is at 2987.

MR. MACEY: Is that all?

A That is all.

MR. MACEY: Anything further in this case? If not the case will be taken under advisement.

(Witness excused.)

MR. MACEY: The hearing is adjourned.

STATE OF NEW MEXICO)
: ss.
COUNTY OF BERNALILLO)

I, MARIANNA METER, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 24th day of September , 1954.

Marianna Meier Notery Public, Court Reporter

My Commission Expires:

April 8, 1956