

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 984

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
605 SIMMS BUILDING
TELEPHONE 3-6691
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
JANUARY 20, 1956

IN THE MATTER OF:

CASE NO. 984:

Southeastern New Mexico Nomenclature case calling for
the following deletion:

(e) Delete from the Bagley-Pennsylvanian Pool the
following:

TOWNSHIP 11 SOUTH, RANGE 33 EAST
Section 33: SE/4

BEFORE:

Mr. E. S. (Johnny) Walker,
Mr. William B. Macey.

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case No. 984.

R A N D O L P H M O N T G O M E R Y

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

D I R E C T E X A M I N A T I O N

BY MR. GURLEY:

Q Mr. Montgomery, you are the same Mr. Montgomery that just
testified in Case No. 998? A Yes, sir.

Q What are your recommendations in Case No. 984?

A In regards to Case 984, Section E, I recommend that the SE/4
of Section 33, T11S R33E, be deleted from the Bagley-Pennsylvanian
Oil Pool.

Q Do you have any basis for that recommendation, sir?

A The basis for that is that there are no Pennsylvanian-Bagley Oil Wells in that portion of that section.

Q Do you have any exhibits that you wish to introduce?

A They were submitted in Case 984, with the others.

Q Do you have anything further?

A No, sir, that is all.

MR. MACEY: Does anyone have any questions of the witness?
If not the witness may be excused.

If there is nothing further in this case we will take the case under advisement.

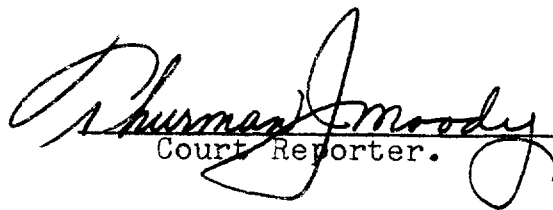
(Witness excused.)

* * * *

STATE OF NEW MEXICO)
 : ss
COUNTY OF BERNALILLO)

I, THURMAN J. MOODY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the Oil Conservation Commission for the State of New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

WITNESS MY HAND, this, the 27th day of January, A. D. 1956.


Court Reporter.

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 984

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
605 SIMMS BUILDING
TELEPHONE 3-6691
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
December 14, 1955

IN THE MATTER OF:

CASE NO. 984

Southeastern New Mexico nomenclature case, calling for the abolishing of certain pools, the creation of new pools, the deletion of certain areas from existing pools, the redesignation of a certain oil pool, and the extension of existing pools in Lea, Eddy and Chaves Counties, New Mexico.

(a) Creation of a new oil pool for Bone Spring production, designated as the Bell Lake-Bone Spring Pool, and described as:

Township 24 South, Range 34 East
Section 6: NW/4

(b) Creation of a new oil pool for San Andres production, designated as the E-K San Andres Pool, and described as:

Township 18 South, Range 33 East
Section 12: SE/4

(c) Extension of the Allison-Pennsylvanian Pool to include:

Township 9 South, Range 36 East
Section 1: SW/4

(d) Extension of the Anderson-Ranch Wolfcamp Pool to include:

Township 16 South, Range 32 East
Section 3: SE/4

(e) Delete from the Bagley-Pennsylvanian Pool the following:

Township 11 South, Range 33 East
Section 33: SE/4

(f) Extension of the Bronco-Wolfcamp Pool to include:

Township 13 South, Range 38 East
Section 10: SE/4
Section 11: SW/4

- (g) Extension of the Caprock-Queen Pool to include:
Township 14 South, Range 31 East
Section 1: W/2
- (h) Extension of the Corbin-Queen Pool to include:
Township 17 South, Range 33 East
Section 31: SE/4
Section 32: SW/4
Township 18 South, Range 33 East
Section 6: E/2
- (i) Extension of the Denton-Wolfcamp Pool to include:
Township 14 South, Range 37 East
Section 25: W/2 E/2
- (j) Extension of the Eidson-Pennsylvanian Pool to include:
Township 16 South, Range 35 East
Section 7: NE/4
- (k) Extension of the E-K Queen Pool to include:
Township 18 South, Range 34 East
Section 7: SE/4
Section 18: NE/4, E/2 SE/4
- (l) Redesignate the Elliott Pool in Lea County, New Mexico, presently classified as an oil pool for Drinkard production, as an oil pool for Abo production and designated as the Elliott Abo Pool.
- (m) Extension of the Gladiola Pool to include:
Township 12 South, Range 38 East
Section 19: E/2
- (n) Extension of the Jalmat Pool to include:
Township 22 South, Range 35 East
All of Sections 25 and 36
Township 22 South, Range 36 East
All of Sections 30 and 31
Township 23 South, Range 35 East
All of Section 1
Township 23 South, Range 36 East
Section 5: SW/4
All of Section 6

- (o) Abolish the East Maljamar Pool in Lea County. :
- (p) Extension of the Maljamar Pool to include: :
- Township 17 South, Range 33 East :
- Section 16: SW/4 :
- Section 17: S/2 :
- Section 21: NW/4 :
- (q) Extension of the Warren-Drinkard Pool to include: :
- Township 20 South, Range 38 East :
- All of Sections 25 and 26 :
- Township 20 South, Range 39 East :
- All of Section 30 :
- (r) Extension of the Grayburg-Keely Pool to include: :
- Township 17 South, Range 29 East :
- Section 22: NE/4 :
- (s) Extension of the Loco Hills Pool to include: :
- Township 18 South, Range 29 East :
- Section 20: NW/4 :
- (t) Extension of the Blinebry Oil Pool to include: :
- Township 22 South, Range 37 East :
- Section 36: NW/4 :
- (u) Extension of the Eumont Gas Pool to include: :
- Township 21 South, Range 37 East :
- Section 19: N/2 NE/4 :
- (v) Extension of the Tubb Gas Pool to include: :
- Township 21 South, Range 37 East :
- Section 4: SE/4 SW/4 :
- (w) Delete from the Terry Blinebry Oil Pool the following: :
- Township 21 South, Range 37 East :
- Section 4: Lot 14 :
- (x) Extension of the Blinebry Gas Pool to include: :
- Township 21 South, Range 37 East :
- Section 4: Lot 14 :
- Section 32: NE/4 :

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BEFORE:

Honorable John F. Simms, Jr.,
Mr. E. S. (Johnny) Walker,
Mr. William B. Macey.

TRANSCRIPT OF HEARING

MR. MACEY: Next case on the docket is Case 984.

R A N D O L P H M O N T G O M E R Y

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

DIRECT EXAMINATION

BY MR. KITTS:

Q What is your name?

A Randolph Montgomery, geologist for the New Mexico Oil Conservation Commission.

Q Mr. Montgomery, are you familiar with Case 984, Southeastern nomenclature case?

A Yes, I am.

Q Mr. Montgomery, there are in this case, recommendations numbering "A" through "X" exclusively. We will turn first to Paragraph "A," recommendation for creation of a new oil pool for Bone Spring production, designated as the Bell Lake-Bone Spring Pool, and described as: Township 24 South, Range 34 East, Section 6, NW/4. Tell the Commission the basis for that recommendation and what it is.

A The basis is completion of the Continental Oil Company Bell Lake Unit No. 3 c well, located in Unit c, Section 6, Township 24 South, Range 37 East, completed in the Bone Springs formation on 8-22-55, with top of perforation 8,670; I recommend the pool be created as advertised.

Q Mr. Montgomery, did you say 37? I believe Township 24 South

Range 34 East.

A Yes.

Q Mr. Nutter, what is the top of perforation?

A 8,670.

Q Mr. Montgomery, turning to paragraph "b" your recommendation is for the creation of a new oil pool for San Andres production, designated as the E-K San Andres Pool; state the recommendation and the basis for it.

A The reason for the recommendation is the completion of the Plateau Oil Company a British-American-State No. 1 Unit I, Section 12, Township 18 South, Range 33 East, completed in San Andres 10-10-55, with top of perforation 5062. I recommend the pool be created as advertised.

Q Paragraph "c," will you state in more detail what the recommendation is and the basis for it.

A The reason for the extension of the Allison-Pennsylvania is the completion of the Magnolia Petroleum Company's Cox Federal No. 1 in Unit M, Section 1, Township 9 South, Range 36 East, completed 6-19-55 in Pennsylvanian with top of perforation 9,690; I recommend the pool be extended as advertised.

Q Mr. Montgomery, you said that Township 19 South -- or is it 19 or 9?

MR. NUTTER: That extension is the SW/4 of Section 1, 9-36?

A Correct.

Q Paragraph "d," recommendation for the extension of the Anderson-Ranch Wolfcamp Pool, Township 16 South, Range 32 East, Section 3, SE/4; tell us more about that recommendation.

A The basis for the recommendation for the extension was the

completion of the Phillips Petroleum Aggie "a" No. 1 in Unit q, Section 3, Township 16 South, Range 32 East, completed in the Wolfcamp on 10-6-55 with top of perforation 9,718; I recommend the extension be made as advertised.

MR. NUTTER: What is that Section?

A Section 3, Township 16 South, Range 32 East.

Q Mr. Montgomery, paragraph "e" pertains to a deletion from the Bagley-Pennsylvanian Pool certain acreages in Township 11 South, Range 33 East; state the reason for your recommendation.

A I recommend that this portion of the Case 984 be continued until next month.

Q Do you have any further recommendations?

A No.

Q Paragraph "f" pertains to an extension of the Bronco-Wolfcamp Pool in Section 10, SE/4 and Section 11, SW/4, Township 13 South, Range 38 East; comment upon that, please.

A The reason for the extension of the Bronco-Wolfcamp Pool is due to the completion of The Pure Oil Company's L.B. Townsend No. 1 in Unit P, Section 10, Township 13 South, Range 38 East, completed in Wolfcamp on 9-28-55, with top of perforation 9,600; I recommend the pool be extended as advertised.

Q Section 11, you recommend --

A SW/4, Section 11.

Q Paragraph "g" pertains to the extension of the Caprock-Queen Pool to include W/2 of Section 1, Township 14 South, Range 31 East; will you state the basis for that recommendation?

A This was occasioned by the completion of the Phillips Petroleum Company's Medlin B No. 1 in Unit D, Section 1, Township 14 South,

Range 31 East completed in the Queen on 10-6-55, with top of perforation 3,084; I recommend the Pool be extended as advertised.

Q Paragraph "h", extension of the Corbin-Queen Pool to include Section 31, SE/4, Section 32, SW/4, of Township 17 South, Range 33 East and Section 6, E/2, in Township 18 South, Range 33 East; state the basis for that.

A Based on the completion Neville G. Penrose, Inc., Williams No. 1 Unit I, Section 6, Township 18 South, Range 33 East, completed in the Queen on 10-14-55, with top of perforation, 4, 110; I recommend the Pool be extended as advertised.

Q Paragraph "i." Extension of the Denton-Wolfcamp Pool to include the W/2 of the E/2 of Section 25, Township 14 South, Range 37 East; will you state your recommendation for that?

A This was due to the completion of the Standard Oil and Gas Company's W. H. Fort "B" No. 1 Unit G, in Section 25, Township 14 South, Range 37 East, completed in the Wolfcamp on 11-1-55, with top of perforation 9,368. I recommend the Pool be extended as advertised.

Q Paragraph "j", extension of the Eidson-Pennsylvanian Pool to include the NE/4 of Section 7, Township 16 South, Range 35 East; state your recommendation for that.

A It is due to the completion of the Sinclair Oil and Gas Company's Hulda A Townsend No. 2, Unit G, in Section 7, Township 16 South, Range 35 East, completed in the Pennsylvanian on 11-1-55, with top of perforation 10,697; I recommend the Pool be extended as advertised.

Q Paragraph "k", recommendation for the extension of the E-K Queen Pool to include the NE/4 of the E/2 of the SE/4 of Section 18.

5 and the SE/4 of Section 7, Township 18 South, Range 34 East; state your recommendation for that.

A The basis for that extension is the completion of the Sunray Mid-Continent Oil Company's N.M. St. H No. 1, in Unit O, Section 17, Township 18 South, Range 34 East, completed in the Queen on 10-22-55, with top of perforation - open hole - and D.C.S. 4,390; also The Ohio Oil Company State F.K.A. No. 2, in Unit B, Section 18, Township 18, South, Range 34 East completed in the Queen on 10-31-55 with top of perforation 4,430, and further, I would like to extend the Pool to include the N/2 of Section 30, Township 18 South, Range 34 East, which is not advertised.

Q Is the N/2 of Section 30 contiguous to the present defined limits of the Pool?

A Yes, sir, it is. This was based on the completion of The Ibex Company McElvain Federal No. 2 Unit B, Section 30, Township 18 South, Range 34 East, completed in the Queen on 11-16-55, with proper preparation 4,732; I recommend that the Pool be extended as advertised, plus the N/2 of Section 30, Township 18 South, Range 34 East, which was not advertised.

Q Paragraph "l," Redesignation of the Elliott Pool.

A According to my interpretation, the producing formation in this area is the Abo formation, and therefore I would recommend that we change the name from Drinkard to the Elliott-Abo.

Q Paragraph "m" recommendation for the extension of the Gladiola Pool to include the E/2 of Section 19, Township 12 South, Range 38 East; state your recommendation for that.

A This was due to the completion of the Texas Crude Oil State No. 1-19, Unit G, Section 19, Township 12 South, Range 38 East, com-

pleted in the Devonian formation on 10-10-55, with top of perforation 11,945; I recommend the pool be extended as advertised.

Q Paragraph "n," there is a recommended extension of the Jalmat Pool to include certain extensions in Township 22 South, Range 35 East, Township 22 South, Range 36 East, Township 23 South, Range 35 East, and Township 23 South, Range 36 East; state the basis for those and what they are.

6 A The reason for the extension of Sections 25 and 36, Jalmat Pool, in order to make the Pool -- they are contiguous sections to smooth out the outline of the field. I also feel they would be productive. We had a completion of a well quite a ways from the Pool.

Q What was that?

A We had a completion of a well quite a ways from the Pool, Schernerhorn Oil Corporation Christmas A No. 1. Unit O, Section 31, Township 22 South, Range 36 East, completed in the Yates on 7-16-55, dcs. 3,544; that is the basis for the extension of Sections 30 and 31 in Township 22 South, Range 36 East, and the completion of the Kenwood Oil Company's Ehrmann No. 1 Unit A in Section 1, Township 23 South, Range 35 East, completed in the Yates on 8-11-55, with top of perforation 3,714 is the basis for the extension of all of Section 1 in Township 23 South, Range 35 East, and the extension of the SW/4 Section 5; all of Section 6 in the Township 23 South, Range 36 East, also to make the extension contiguous. That is all.

Q Mr. Montgomery, in Paragraph "o," there is a recommendation to abolish the East Maljamar Pool in Lea County, and in conjunction with Paragraph "p," which pertains to the extension of the Maljamar Pool.

A This is due to the recent development from the Maljamar Pool

which has now reached the East Maljamar Pool, and I believe -- I feel there is no purpose served in the continued carrying of the East Maljamar Pool; therefore, I recommend that we abolish the East Maljamar Pool.

Q Pertaining to Paragraph "p," what is your recommendation, your basis for extension of the -- to include the SW/4, Section 16; S/2, Section 17; NW/4, Section 21, Township 17 South, Range 33 East?

A The basis for the extension of it is to include the SW/4 of Section 16, S/2 of Section 17, NW/4 of Section 21, in Township 17 South, Range 33 East, and is based on the recent completion of the Western Oil Fields, Inc., Phillips-State No. 7 Unit O, Section 17, Township 17 South, Range 33 East, completed in the Grayburg on 10-2-55, with top of perforation 4,238 and completion of Western Oil Fields, Inc., Phillips-State No. 8 Unit N, Section 17, Township 17 South, Range 33 East, completed in Grayburg on 10-25-55, with top of perforation 4,198 and also the completion of the Warren Bradshaw Exploration, Inc., State D No. 2 Unit E, Section 21, Township 17 South, Range 33 East, completed in Grayburg on 10-11-55, dcs, 4,229; I recommend the Pool be extended as advertised.

MR. NUTTER: Is all of the acreage in the present East Maljamar included in this present Pool?

A No, it is not, only all of Section 16 was previously in the Maljamar Pool, it only had one well located in the southwest portion of that section. Therefore, I have only included the southwest.

Q Paragraph "q," extension of the Warren-Drinkard Pool to include all of Sections 25 and 26, Township 20 South, Range 38 East, and all of Section 30, Township 20 South, Range 39 East; what is the basis for that recommendation?

A The basis for this recommendation is the completion of the Texas Crude Oil Company's Ralph Estate No. 1-30 in Unit A, in Section 30, Township 20 South, Range 39 East, completed 9-29-55 in the Drinkard Formation, top of perforation 6,990; I recommend the Pool be extended as advertised.

Q Paragraph "r," extension of the Grayburg-Keely Pool to include the NE/4 of Section 22, Township 17 South, Range 29 East; what is the basis for that?

A This was due to the recompletion of the Sunray Mid-Continent Oil Company M. Dodd A No. 9 Unit G, in Section 22, Township 17 South, Range 29 East, completed in the San Andres Formation, 10-11-55, with top of perforation 3,224; I recommend the Pool be extended as advertised.

Q Paragraph "s," what is the basis for that?

A This was due to the recent completion of W. H. Black. Federal Wright No. 1 Unit D in Section 20, Township 18 South, Range 29 East, completed 7-23-55 with top of perforation 2,384; I recommend the Pool be extended as advertised.

Q Paragraph "t"; state the recommendation and the basis for it on that.

A This is due to the completion of the Western Oil Fields, Inc., Shell-State No. 1 Unit D, in Section 36, Township 22 South, Range 37 East, completed in the Blinbry Formation on 12-1-54, with top of perforation 5,440. I recommend the Pool be extended as advertised.

Q Paragraph "u", there is a recommendation for an extension; what is the basis for that recommendation, and do you have any further?

A This was due to the recent completion of the Makin Drilling Company Warlick-Queen No. 1 Unit A Section 19, Township 21 South, Range 37 East; I recommend the Pool be extended as advertised. Further, I have some unadvertised extensions which are contiguous, being the E/2 of Section 22, Township 19 South, Range 36 East, due to the completion of the Shell Oil Company State R No. 1 Unit P, Section 22, Township 19 South, Range 36 East, completed in the Queen on 11-11-55, with top of perforation 3,984, and I recommend the Pool be extended as advertised. Further, the SW/4 of Section 10 and the S/2 of the NW/4 of Section 10, Township 20 South, Range 36 East, and the E/2 of Section 9, all but the NE/4 of the NE/4, Township 20 South, Range 36 East. This was due to the recent completion of the Continental Oil Company Leonard Oil Company et al No. 1 Unit H, Section 9, Township 20 South, Range 36 East, completed 11-18-55 in the Queen Formation with top of perforation 3,998. I recommend that the Pool be extended as suggested.

MR. NUTTER: Before you get too far away from me, as advertised, plus the E/2 of 22, 19, 36?

A Yes.

MR. NUTTER: SW/4, Section 10, 20, 36. All right. SW/4, 10, 20, 36, S/2 of the NW/4 of 20, 36, E/2 of 9, 20, 36, except a certain --

A The NE of the NE.

MR. NUTTER: Okay.

Q Mr. Montgomery, did you state that the acreage embraced in these unadvertised extensions, those are contiguous to the presently defined limits of the Pool?

A Yes, sir, I did, and they are.

Q Paragraph "v," recommendation for the extension of the Eumont Gas Pool; what are your recommendations on that?

A This was so to be able to include the proration unit which is dedicated to Stanolind Oil and Gas Company's Southland Royalty A No. 4; we could get all of that acreage into the Tubb Gas field.

Q You feel that acreage is productive of gas from that Pool, same formation?

A Yes.

MR. PORTER: One question, Mr. Montgomery. Is that well already located within the boundaries of the Tubb Pool?

A Yes, it is. I don't have the exact location, but it is in the SE/4, Section 4.

Q Paragraph "w," there is a recommendation for a deletion from the Terry Blinebry Oil Pool of Lot 14, Section 4, Township 21 South, Range 37 East; what is the basis for that recommended deletion?

A We want to delete this because Lot 14 is dedicated as a gas unit for the Western Oil Field Gulf Hill No. 1, which is also in Section 4, and due to order R-16, we are not allowed to dedicate gas acreage in the Terry Blinebry Oil Field.

Q And in paragraph "x," to include Lot 14, Section 4, and the NE/4 of Section 32, Township 21 South, Range 37 East; now, that pertains, should be considered together with paragraph "w" should it not?

A In part, that is correct. The Lot 14.

Q What is the basis for the other recommendation?

A That is due to the recent completion of the Gulf Oil Corporation's W. T. McCormack No. 10 Unit H, completed as oil-gas dual in Blinebry and Drinkard Oil-Blinebry 10-1-54, with top of perforation 5,500, and for Western Oil Field's Gulf Hill unit. I recommend it

be extended as advertised.

Q Now, Mr. Montgomery, have you marked the Exhibits you have as Exhibits "A" through "X"?

A Yes, sir, I have.

Q With some of the Exhibits having more than one exhibit pertaining to them?

A Yes, sir, and they are designated as, an example, paragraph "u", U-1, U-2 and U-3.

Q And paragraph "s," 1 and 2?

A Just for that particular one.

MR. KITTS: If it please the Commission, we offer in evidence Commission's Exhibits "A" through "X" inclusive.

MR. MACEY: Without objection, they will be received.

MR. KITTS: That is all.

MR. MACEY: Any questions of the witness?

MR. NUTTER: Back to paragraph "b." That was the Plato Oil Company's which?

A British American State No. -- wait a minute, let me check it. British American State No. 1.

MR. NUTTER: And in Unit I, 12, 18, 33, completed --

A Completed 11-1-55.

MR. NUTTER: And top of perforation?

A 9,368.

MR. NUTTER: 9,368?

A Yes.

MR. MACEY: Does anyone else have a question of the witness? If nothing further, we will take the case under advisement, with the exception of paragraph "e" which will be continued until the regular

hearing January 19.

C E R T I F I C A T E


STATE OF NEW MEXICO)

:ss

COUNTY OF BERNALILLO)

I, THURMAN J. MOODY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the Oil Conservation Commission for the State of New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

WITNESS MY HAND, this, the 30th day of December, A.D., 1955.


Court Reporter.

Wells affected by January hearing :

Case 998

- A. SRR-Penn. New Pool Amerada Fed. E #1-A 22-9-32 (Recompletion)
- B. South Denton-Devonian -New Pool Signal Oil & Gas Gulf-State #1-D 4-16-38
- C. Hardy Ext. Continental Oil L. G. Hill #1-D 4-21-37
- D. Langlie-Mattix Ext.- R. Olsen Oil Co. Eaton #2-0,3-K and 5-J 12-25-37
- E. Skaggs Ext. -Signal Oil and Gas McCallister #1-M 5-20-38
- F. Terry-Blinebry Ext. -Continental Oil Warren Unit Blinebry #19-H 33-20-38
- G. Townsend-Wolfcamp Ext.- Cabot Carbon Co. St. of N. M. "A" #1-E 33-15-35

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