BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico April 17, 1957

IN THE MATTER OF:

Case No. 1239

TRANSCRIPT OF HEARING

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

BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico April 17, 1957

IN THE MATTER OF:

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

(a) Creation of a new oil pool for Point Lookout production, designated as the Otero-Point Lookout Oil Pool, and described as:

Township 23 North, Range 4 West Section 32: NE/4

(b) Creation of a new gas pool for Chacra Production, designated as the Otero-Chacra Pool, and described as:

Township 25 North, Range 5 West Section 16: S/2
All of Sections 17 and 21
Section 22: W/2 and SE/4
Section 23: SW/4
All of Sections 26, 27, and 28.

(c) Creation of a new oil pool for Paradox production, designated as the Four Corners-Paradox Oil Pool, and described as:

Township 32 North, Range 20 West Section 29: SW/4 and S/2 NW/4 Section 30: E/2 SE/4 and SE/4 NE/4

(d) Extension of the Blanco Mesaverde Pool to include:

Township 31 North, Range 5 West All of Sections 19, 20, 29, 30, and 32.

(e) Extension of the Ballard-Pictured Cliffs Pool to include:

Township 25 North, Range 7 West All of Sections 16, 17, and 18 Section 19: N/2

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

Township 25 North, Range 8 West Section 24: NW/2

(f) Extension of the Canyon Largo-Pictured Cliffs Pool to include:

Township 24 North, Range 6 West Section 2: NW/4
Section 3: N/2

Township 25 North, Range 6 West Section 33: S/2

Section 34: S/2

Township 26 North, Range 7 West Section 29: N/2

(g) Extension of the Gavilan-Pictured Cliffs Pool to include:

Township 25 North, Range 1 West Section 30: NW/4

Township 25 North, Range 2 West

Section 11: N/2
Section 22: NW/4
Section 23: SE/4
Section 25: N/2
Section 26: E/2

(h) Extension of the Otero-Pictured Cliffs Pool to include:

Township 24 North, Range 6 West
Section 10: S/2
Section 14: NW/4
Section 15: N/2
Section 16: All

(i) Extension of the Otero-Sanastee Oil Pool to include:

Township 22 North, Range 4 West Section 5: NW/4 and S/2

Section 6: N/2 Section 8: NE/4

CASE NO. 1239

BEFORE:

Honorable E. L. Mechem Mr. A. L. Porter Mr. Murray Morgan

TRANSCRIPT OF HEARING

MR. PORTER: Take up next Case 1239.

ALVA UTZ

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

DIRECT EXAMINATION

BY: MR. COOLEY:

- Q State your name and occupation, please?
- A Alva A. Utz, engineer with the Oil Conservation Commission.
- Q Mr. Utz, have you previously been qualified as an expert witness before this Commission?
 - A Yes, I believe so.
- Q Mr. Utz, have you had an opportunity to make a study of the creation of a new pool for Point Lookout production in Township 23 North, Range 4 West?

 A Yes, I have.
 - Q What are your recommendations in that regard?
- A I recommend that a new pool be created for Point Lookout Production to be called the Otero Point Lookout Oil Pool, which is based on two wells capable of producing in the Mesa Verde Point Lookout in this area.
- Q What would be the horizontal and vertical limits of that pool, Mr. Utz?

A The vertical limits would be the Point Lookout Formation, the horizontal would be the Northeast Quarter of Section 32, 23 North, 4 West, as advertised.

Q Mr. Utz, inasmuch as the discovery well establishes an allowable for the pool, would you give us the name of the discovery well, and the top of perforation?

A The discovery well was the Fred Turner Jr. No. 1 Jicarilla, 990 feet from the North and 990 feet from the East, Section 32, Township 23 North, Range 4 West, the top of perforation 4382 to 4411.

Q Mr. Utz, have you made a study for the creation of a new gas pool for Chacra production in Township 25 North, Range 5 West?

A Yes, sir, I have, and I recommend that the Otero Chacra
Gas Pool be created as advertised on the basis of six wells capable
of producing from this formation.

Q And what was the discovery well for that, Mr. Utz?

A The discovery well for that pool was the Amerada Petroleum No. 3 Jicarilla A, 990 feet from the South, 1650 feet from the West, Section 23, 25 North, 5 West. I do not have the top of the perforation. It doesn't matter, it is a gas pool anyway.

MR. ARNOLD: I was just going to state, I believe you have the perforation on that exhibit that I gave you there.

A I don't believe it matters. It is probably in here, and I will enter this as an exhibit.

Q Mr. Utz, have you made a study for the creation of a new oil pool for Paradox production in Township 32 North, Range 20 West?

A Yes, I have. I recommend that a new pool, to be called the Four Corners Paradox Oil Pool be created as follows: Section 29, Southwest Quarter, and the South Half of the Northwest Quarter; Section 30, the East Half of the Southeast Quarter, and the Southeast Quarter of the Northeast Quarter, all in Township 32 North, Range 20 West. This creation is based on the Humble Oil and Refining No. 1 Navajo Indian Tribe, located 1980 feet from the South, 660 feet from the West, Section 29, Township 32 North, Range 20 West. The top of perforation on this well is 5608.

MR. PORTER: Mr. Utz, this is not pertinent to the case, but do you remember about what the potential on that well was?

A Yes, isir, initial potential of 412 barrels of oil and 43.7 gravity.

Q Mr. Utz, have you made a study concerning the extension of the Blanco Mesaverde Gas Pool?

A Yes, I have. I recommend that the Blanco Mesaverde Gas
Pool be extended as advertised on the basis of three wells capable
of producing from that formation.

Q Do you have any recommendations concerning extension of the Ballard Pictured Cliffs Gas Pool?

A Yes, I recommend that the Ballard Pictured Cliffs Gas Pool be extended as advertised on the basis of nine wells capable of producing from that formation.

Q Do you have any recommendations concerning the extension of the Canyon Largo Pictured Cliffs Gas Pool?

A Yes, I have. I recommend that the Canyon Largo Pictured Cliff Gas Pool be extended as advertised on the basis of four wells capable of producing from that formation.

Q What are your recommendations concerning extension of the Gavilan Pictured Cliffs Gas Pool?

A I recommend that the Gavilan Pictured Cliffs Gas Pool be extended as advertised on the basis of five wells capable of producing from that formation.

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

A Yes, I recommend that the Otero Pictured Cliffs Gas Pool be extended as advertised on the basis of six wells capable of producing from that formation.

Q Do you have any recommendations concerning the extension of the Otero Sanastee Oil Pool?

A I recommend that the Otero Sanastee Oil Pool be extended as advertised on the basis on one well capable of producing from that formation.

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

A I have no further recommendations.

Q Do you have any exhibits in this case?

A Yes, I have an exhibit which shows my recommendations

together with the wells on which these recommendations are based.

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

A It was prepared by me under my supervision.

MR. COOLEY: At this time we would like to offer Exhibit lin evidence.

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

A I also have two other exhibits which I would like to enter in the record in regard to the Otero Chacra Gas Pool. The Chacra formation has been subject to some question in this area, and has been studied by Mr. Arnold of our office, Aztec office, as well as the Four Corners Geological Society, and I have here an exhibit which was prepared by Mr. Arnold which gives a little history on the Chacra formation, as well as a letter from Mr. Frank Pritchett of the Four Corners Geological Society, which I would like to enter into the record in support of that recommendation.

MR. COOLEY: I would like to recommend that the two documents which the witness has been testifying to be identified as Exhibit No. 2 in this case.

MR. PORTER: They will be so identified, and without objection, they will be admitted into the record.

MR. COOLEY: Do you have anything further Mr. Utz.

A That's all.

MR. PORTER: Does anyone have a question of Mr. Utz.
Mr. Nutter.

CROSS EXAMINATION

BY: MR. NUTTER:

Q Mr. Utz, were all extensions and creations of those advertised?

A No, sir. Pardon me just a moment. The Four Corners

Paradox Oil Pool was not advertised, but it is as I read it into
the record, and as the exhibit shows.

MR. NUTTER: Thank you.

BY:: MR. MANKIN:

Q Mr. Utz, the advertisement indicated numerous gas pools here, but did not indicate the gas in it. Wouldn't it be your recommendation that the word "gas" be inserted in that particular name?

A You say the advertisement did not include "gas pool"?

Q Yes.

A Yes, I recommend that we call a gas pool a gas pool, and an oil pool an oil pool where ever it may be in the statement.

MR. MANKIN: That is all.

MR. PORTER: Anyone else have anything further in this case?

MR. COOLEY: I would like the record to show that the discrepany referred to by Mr. Nutter, and the answer by Mr. Utz concerning the Paradox Pool was one considered by the attorney for the Commission to be insignificant enough not to require the readvertisement of the case, the use of the fraction 7/8 rather than the symbol for "and", that being the only error in advertisement.

MR. ARNOLD: I would like to say that we caught that error in the Farmington paper, and we also considered it too insignificant to re-advertise it, but I wanted to get a ruling on that for the future when we check those.

MR. PORTER: Well, there has been no objection entered as the case was advertised. We will take the case under advisement and the hearing is adjourned.

STATE OF NEW MEXICO)

COUNTY OF BERNALILLO)

I, J. A. Trujillo, Notary Public 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 Stenotype and reduced to typewritten transcript by me, 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 3rd day of May, 1957, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Notary Public

My Commission Expires:

October 5, 1960