

Warren

Case 1266

DSW ✓ @5/17/57

J. M. HERVEY 1874-1953

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FIRST NATIONAL BANK BUILDING
ROSWELL, NEW MEXICO

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May 17, 1957.

Oil Conservation Commission
Capitol Building
Santa Fe, New Mexico

Re: South Carter-San Andres Pool
Carter-San Andres Pool
All of Sections 5 and 8
Township 18 South, Range
39 East, N.M.P.M., Lea County,
New Mexico
Our No. 73

Gentlemen:

We represent Great Western Drilling Company who is the owner of more than 51 percent of the working interest in oil and gas leases covering the above lands.

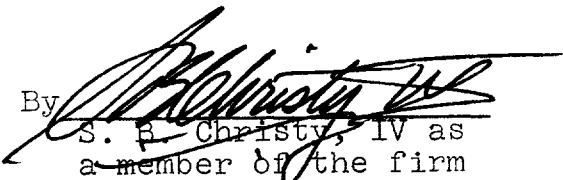
Section 5, Township 18 South, Range 39 East, N.M.P.M. is now classified by the Commission as the Carter-San Andres pool. All of Section 8, Township 18 South, Range 39 East, N.M.P.M. is now classified by the Commission as the South Carter-San Andres pool. All producing wells (three in number) in the Carter and South Carter-San Andres pools are producing oil from what we believe to be the same source of supply, or in other words, based upon development, it is the opinion of Great Western Drilling Company that the Carter and South Carter-San Andres Pools are in fact only one pool. This appears to be borne out by Exhibits "2" and "3" offered in evidence before the Commission at its Hobbs meeting on May 16, 1957, the same being Case No. 1257 which is now under advisement before the Commission.

This letter will serve as the request of Great Western Drilling Company that the Commission enter an order abolishing the South Carter-San Andres pool and establishing the Carter-San Andres pool as covering all of Sections 5 and 8, Township 18 South, Range 39 East, N.M.P.M., Lea County, New Mexico. We believe that the entrance of such an order will reduce confusion in nomenclature, more correctly describe the common pool, and promote the best interest of the State of New Mexico.

Respectfully submitted,

HERVEY, DOW & HINKLE

By


S. B. Christy, IV as
a member of the firm
Box 547, Roswell, N.M.
Attorneys for Great Western

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
June 13, 1957.

CASE NO. 1266

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

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

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
June 13, 1957.

IN THE MATTER OF:

CASE NO. 1266: Southeastern New Mexico nomenclature case call-
ing for an order creating new pools, extending)
and abolishing existing pools in Lea, Chaves :
and Eddy Counties, New Mexico.)

(a) Creation of a new oil pool for Queen pro-)
duction, designated as the South Corbin-Queen :
Pool, and described as:)

TOWNSHIP 18 SOUTH, RANGE 33 EAST)

Section 27: SW/4)

Section 28: SE/4)

(b) Creation of a new oil pool for Yates pro-)
duction, designated as the South Maljamar-Yates:)
Pool, and described as:)

TOWNSHIP 18 SOUTH, RANGE 32 EAST)

Section 13: NW/4)

(c) Extension of the Anderson Ranch-Devonian :
Pool to include:)

TOWNSHIP 16 SOUTH, RANGE 32 EAST)

Section 2: Lots 7, 8, 9 & 10)

(d) Extension of the Caprock-Queen Pool to :
include:)

TOWNSHIP 14 SOUTH, RANGE 31 EAST)

Section 8: NE/4 NE/4)

TOWNSHIP 15 SOUTH, RANGE 31 EAST)

Section 3: E/2 NW/4 & SW/4 NW/4)

(e) Extension of the Cave Pool to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST

Section 4: W/2

Section 5: N/2, E/2 SE/4 & NW/4 SE/4

Section 8: E/2 NE/4

Section 9: N/2

(f) Abolish the South High Lonesome Pool.

(g) Extension of the High Lonesome Pool to include:

TOWNSHIP 16 SOUTH, RANGE 29 EAST

Section 17: SE/4 NE/4

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

TOWNSHIP 19 SOUTH, RANGE 37 EAST

Section 22: SE/4

Section 26: W/2 NW/4 & SE/4

Section 36: E/2 SW/4

(i) Extension of the Jalmat Gas Pool to include:

TOWNSHIP 23 SOUTH, RANGE 36 EAST

Section 8: W/2

(j) Extension of the Justis Gas Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST

Section 25: W/2

Section 26: NE/4

Section 36: NE/4

(k) Extension of the Penrose-Skelly Pool to include:

TOWNSHIP 21 SOUTH, RANGE 37 EAST

Section 31: E/2 NW/4

(l) Extension of the Lusk Pool to include:

TOWNSHIP 19 SOUTH, RANGE 32 EAST

Section 19: W/2 NE/4

(m) Extension of the Shugart Pool to include:)

TOWNSHIP 18 SOUTH, RANGE 31 EAST

- Section 26: S/2 SW/4
- Section 27: S/2 SE/4
- Section 34: NE/4
- Section 35: N/2

(n) Extension of the Turkey Track pool to include:

TOWNSHIP 18 SOUTH, RANGE 29 EAST

- Section 34: NE/4

(o) Extension of the Young Pool to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST

- Section 17: S/2 NE/4
- Section 20: N/2 SE/4

(p) Extension of the South Carter-San Andres Pool to include:

TOWNSHIP 18 SOUTH, RANGE 39 EAST

- Section 5: All

(q) Abolish the Carter-San Andres Pool in Lea County, New Mexico.

BEFORE:

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

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

MR. PORTER: The Commission will consider the next Case 1266.

MR. COOLEY: Case 1266 reads: "Southeastern New Mexico nomenclature case calling for an order creating new pools,

extending and abolishing existing pools in Lea, Chaves and Eddy Counties, New Mexico.

(Witness sworn.)

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

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

DIRECT EXAMINATION

BY: MR. COOLEY:

Q State your name and position for the record, please.

A Randolph Montgomery, Proration Manager, Oil Conservation Commission.

Q Mr. Montgomery, in your official capacity with the New Mexico Oil Conservation Commission, have you had an opportunity to make a study for the creations of a new oil pool for Queen production in Township 18 South, Range 33 East?

MR. PORTER: Just a minute, Mr. Montgomery. Before you begin with your testimony, do you have an extra copy of those Exhibits? Off the record.

(Discussion off the record.)

MR. PORTER: Mr. Cooley, you will proceed with your questioning.

A I recommend that the paragraph (a) of Case 1266 be created as advertised. Therefore, it be designated as the South

Corbin-Queen Pool which is based on the discovery of Sunray Mid-Continent Oil Company N. M. Federal "H" Well Number One in Unit L. of 27-18-33 completed 5/5/57 in the Queen Formation, top perforation 4,487 feet, and the Sunray Mid-Continent N. M. Federal "E" Number One in Unit I of Sec. 28-18-33, completed 9/8/56 in the Queen formation; the depth of the casing shoe 4,378 feet. I recommend the pool be created horizontally as advertised.

Q The vertical limits of said pool to be Queen formation?

A Yes.

Q Mr. Montgomery, have you likewise made a study of new oil pool for Yates production in Township 18 South, Range 32 East?

A I have. I recommend that that pool be created as advertised, being the South Maljamar, covering the Northwest Quarter of Section 13, Township 18 South, Range 32 East; this was based on the recent discovery of the Harvey E. Yates Buffalo Federal No. 1 in Unit "D" of Section 13-18-32, completed on 4/25/57 in the Yates. The top of the perforation is 3,212 feet.

Q The vertical limits of South Maljamar Yates pool will be the Yates formation?

A That is correct.

Q Mr. Montgomery, have you made a study for an extension of Anderson Ranch Devonian Pool?

A Yes, I have and I recommend the pool be extended as

advertised.

Q What are your recommendations concerning the Caprock-Queen Pool?

A I recommend that pool be extended as advertised, and also include the unadvertised portion, being the West Half of Southeast Quarter of Section 8; and the North Half of the Northeast Quarter of Section 9, Township 15 South, Range 31 East. That portion of Section 8 would be in Township 14 South, Range 31 East.

Q Have you made a study of extension of the Cave Pool?

A I have. I recommend the pool be extended as advertised.

Q What are your recommendations concerning the South High Lonesome Pool?

A I recommend the pool be abolished, due to recent completion of old wells, and the extension of the Cave Pool, which is now presently taking over the South High Lonesome Pool, instead of being two pools, is now one, and recommend we abolish the South High Lonesome.

Q The Cave Pool and the South High Lonesome Pool have the same vertical limits?

A They do.

Q And the Cave Pool has now been extended to include the horizontal limits formerly covered by the South High Lonesome

Pool?

A That is correct.

Q Do you have any recommendations concerning the extension of the High Lonesome Pool?

A I recommend the area be extended as advertised.

Q What are your recommendations concerning the Eumont Gas Pool?

A I recommend that pool be extended as advertised.

Q Do you have any recommendations concerning the Jalmat Gas Pool?

A I recommend that pool be extended as advertised, and also to include Section 11, the East Half of the Northeast Quarter, in Township 22 South, Range 35 East.

Q What are your recommendations concerning the Justis Gas Pool?

A I recommend that pool be extended as advertised.

Q Do you have any recommendations concerning the Penrose-Skelly Pool?

A I recommend that pool be extended as advertised.

Q What are your recommendations concerning the Lusk Pool?

A I recommend the Lusk Pool be extended as advertised.

Q Do you have any recommendations concerning the Shugart Pool?

A I recommend that pool be extended as advertised.

Q What are your recommendations concerning the Turkey Track Pool?

A I recommend that pool be extended as advertised.

Q What are your recommendations concerning the Young Pool?

A I recommend that the Young Pool be extended as advertised.

Q Do you have any recommendations concerning the South Carter-San Andres Pool?

A I recommend the South Carter-San Andres Pool be extended as advertised.

Q Do you have any recommendations concerning the Carter-San Andres Pool?

A I recommend the Carter-San Andres Pool be abolished. Due to the merger this now is actually one pool, and we can abolish this one, do away with it from the books.

Q In your professional opinion, what was formerly the Carter- and South Carter now constitute one common source of supply?

A That is correct.

Q And the South Carter-San Andres Pool has been extended to include that area formerly covered by the Carter-San Andres Pool?

A It is, due to the same producing horizon, and the South Carter-San Andres Pool has been extended to cover the area formerly covered by the Carter-San Andres Pool.

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

A That's all I have.

Q Do you have exhibits to substantiate your recommendations concerning each extension and abolishment?

A I have Exhibits One through Twenty-One.

(Exhibits One through Twenty-One
marked for identification.)

MR. COOLEY: At this time I would like to have Exhibits One through Twenty-One received in evidence.

MR. PORTER: Without objection, they will be received. Is that all the questions you have of the witness? Mr. Nutter?

CROSS EXAMINATION

BY: MR. NUTTER:

Q Mr. Montgomery, for Paragraph (a), the creation of the South Corbin-Queen you mentioned two wells. Which was the discovery?

A Sunray Mid-Continent New Mexico "E" Number One in Unit "I".

MR. NUTTER: Thank you, sir.

MR. PORTER: Any further questions of the witness?

He may be excused.

(Witness excused.)

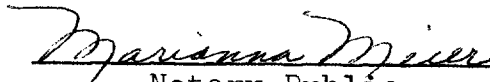
MR. PORTER: Anyone else have any comments in this case, or any statements to make? We will take the case under advisement.

C E R T I F I C A T E

STATE OF NEW MEXICO)
 : ss
COUNTY OF BERNALILLO)

I, MARIANNA MEIER, 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, 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 12th day of July, 1957, in the City of Albuquerque, County of Bernalillo, State of New Mexico.


Notary Public.

My Commission Expires:

April 8, 1960.