BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO Santa Fe, New Mexico

September 18, 1957

TRANSCRIPT OF HEARING

Case 1311

DEARNLEY - MEIER & ASSOCIATES INCORPORATED GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO 3-6691 5-9546 TOWNSHIP 18 SOUTH, RANGE 39 EAST

Section 31: S/2 N/2

Section 32: S/2 N/2 and S/2

(f) Extend the Warren-McKee Pool to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST

Section 7: NW/4 and S/2

Section 8: SW/4

Section 17: W/2

Section 18: All

Section 19: N/2 NE/4

Section 20: N/2 NW/4

- (g) Abolish the North Warren-McKee Pool (horizontal limits the same as extension in Paragraph (f).
- (h) Extend the Bagley-Upper Pennsylvanian Gas Pool to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST Section 4: NE/4

(i) Extend the Eumont Gas Pool to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST Section 12: S/2 NW/4

(j) Extend the Hackberry-Yates Pool to include:

TOWNSHIP 19 SOUTH, RANGE 30 EAST Section 36: S/2 NE/4

(k) Extend the Millman Pool to include:

TOWNSHIP 19 SOUTH, RANGE 28 EAST Section 17: NW/4 NW/4

(1) Extend the Red Lake Pool to include:

TOWNSHIP 18 SOUTH, RANGE 27 EAST Section 7: NW/4

(m) Extend the Vacuum Pool to include:

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

BEFORE:

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

TRANSCRIPT OF HEARING

MR. PORTER: The Commission will consider next Case 1311.

MR. COOLEY: Southeastern New Mexico nomenclature case calling for an order creating new pools and the abolishment, extension and contraction of certain pools in Lea and Eddy Counties, New Mexico.

(Witness sworn.)

JOHN W. RUNYAN

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

DIRECT EXAMINATION

By MR. COOLEY:

- Q State your name and position, please.
- A John W. Runyan, Geologist for the New Mexico Oil Conservation Commission.
- Q Mr. Runyan, in your official capacity as geologist for the New Mexico Oil Conservation Commission, have you had an opportunity to make a study of possible creations, abolishments, extensions and contractions of certain pools in Lea and Eddy County, New Mexico?

 A I have.
- Q Mr. Runyan, what are your recommendations concerning the creation of a new oil pool for Pennsylvanian production in

A I recommend a new oil pool be created and be called the North Bagley-Pennsylvanian, and this is due to the discovery of the Texas Pacific Coal and Oil J. P. Carter No. 1 in Unit F of Section 10, Township 11 South, 33 East, completed in Pennsylvanian, 7-17, 1957, the top of the perforation 10,070 feet.

Q What would you recommend as the horizontal limits of the North Bagley-Pennsylvanian Oil Pool?

A The northwest quarter of Section 10, Township 11, Range 33 East.

Q Mr. Runyan, have you made a study for the creation of a new gas pool for Queen production?

A I have.

Q In Township 17 South, 34 East?

A I have. And I recommend that a new pool be created called the Vacuum-Queen Gas Pool, and the purpose of this creation is the discovery of S. P. Yates Shell Anglo State A No. 1 in Unit I of Section 10, Township 17 South, Range 34 East, completed in the Queen 4-1, 1957, top of perforation, 3,890 feet, and the horizontal boundary will be the southeast quarter of Section 10.

Q Have you also made a study for the creation of a new oil pool for Devonian production in Township 11 South, Range 38 East?

A I have. I recommend a new pool be created called the

East Echol-Devonian, and this is due to the discovery of Amerada

Petroleum Corporation State E. C. No. 1 in Unit B. Section 16.

Township 11 South, Range 38 East, completed in the Devonian the 6-14, 1957, top of perforation 12,021 feet, and the proposed horizontal boundary is the northeast quarter of Section 16.

Q Have you likewise made a study for the creation of a new oil pool for San Andres production in Township 19 South, Range 39 East?

A I have. I recommend that the new pool be created, called the Foster-San Andres, and this is due to the Newburg and Ingram Foster No. 1 in Unit D of Section 5, 1939 completed in San Andres the 7-20, 1957, top of the perforation 4,465 feet. I recommend that the horizontal boundary be the northwest quarter of Section 5.

Q Mr. Runyan, have you made a study for the contraction of the East Hobbs-San Andres Pool?

A I have. I recommend that the south half of the north half of Section 31, the south half of the north half and the south half of Section 32 be deleted from the East Hobbs-San Andres Pool.

- Q Township 18 South, Range 39 East?
- A Yes.
- Q What is the purpose of the contraction of that pool?

A The purpose of the contraction is that the acreage to be deleted is contiguous with a new creation of the creation of the Foster-San Andres Pool. The acreage is contiguous and the acreage does not have any production from the San Andres.

Q It will keep San Andres and the newly created Foster and

- Q To your knowledge are there any dry holes in the area that is to be deleted?
 - A To my knowledge, I don't know, no, sir.
- Q Mr. Runyan, have you made a study for the extension of the Warren-McKee Pool?
 - A Yes, I have. I recommend that it be extended as advertised.
- Q What are your recommendations concerning the abolishment of the North Warren-McKee Pool?

A I recommend that this pool be abolished as advertised.

The reason for the abolishment is that the horizontal and vertical limits of the North Warren-McKee Pool and the Warren-McKee Pool are contiguous and that the abolished acreage in the North Warren-McKee Pool be extended to the Warren-McKee Pool.

- Q All the acreage that was formerly in the North Warren-McKee Pool will be included in the Warren-McKee Pool?
 - A That is correct.
- Q Do you have any recommendations concerning the extension of the Bagley-Upper Pennsylvanian Gas Pool?
 - A I recommend it be extended as advertised.
- Q What are your recommendations concerning the extension of the Eumont Gas Pool?
 - A I recommend it be extended as advertised.
 - Q Have you any recommendation concerning the extension of the

Hackberry-Yates Pool?

- A I recommend it be extended as advertised.
- Q What are your recommendations concerning the extension of the Millman Pool?
 - A I recommend it be extended as advertised.
- Q Do you have any recommendations concerning the extension of the Red Lake Pool?
 - A I recommend it be extended as advertised.
- Q What are your recommendations concerning the extension of the Vacuum Pool?
 - A I recommend that it be extended as advertised.
 - Q Do you have any further comments in this case?
 - A No, sir.
 - Q Have you prepared Exhibits A through M?
 - A Yes.
 - Q Were those prepared by you or under your supervision?
 - A Under my supervision.
- MR. COOLEY: I would like to offer Exhibits A through M in Case 1311.
- MR. PORTER: Without objection the exhibits will be admitted to the record.

Does anyone have a question of Mr. Runyan; anything further in the case? We will take the case under advisement and recess the hearing until nine o'clock tomorrow morning. (Witness excused.)

CERTIFICATE

STATE OF NEW MEXICO)
: SS
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, 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 /st day of October, 1957.

Notary Public-Court Reporter

My commission expires:

June 19, 1959.