

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 1581

TRANSCRIPT OF HEARING

DEARNLEY - MEIER & ASSOCIATES  
GENERAL LAW REPORTERS  
ALBUQUERQUE NEW MEXICO  
Phone CHapel 3-6691

January 14, 1959

(g) Extend the Dos Hermanos Yates-Seven Rivers Pool to include:

Township 20 South, Range 30 East, NMPM  
Section 28: N/2 SE/4

(h) Extend the High Lonesome Pool to include:

Township 16 South, Range 29 East, NMPM  
Section 12: SW/4  
Section 13: NW/4

(i) Extend the Justis-Blinebry Pool to include:

Township 25 South, Range 37 East, NMPM  
Section 24: E/2  
Section 25: E/2  
Section 36: E/2 & SW/4

(j) Extend the Justis-McKee Pool to include:

Township 25 South, Range 37 East, NMPM  
Section 24: SE/4

(k) Extend the Loco Hills Pool to include:

Township 18 South, Range 30 East, NMPM  
Section 8: S/2

(l) Extend the Maljamar Pool to include:

Township 17 South, Range 33 East, NMPM  
Section 18: SW/4

(m) Extend the vertical limits of the East Millman-Queen Pool in Eddy County, New Mexico, to include therein the Grayburg formation.

(n) Extend the East Millman Queen-Grayburg Pool to include:

Township 19 South, Range 28 East, NMPM  
Section 13: N/2 & SW/4  
Section 22: N/2  
Section 23: NW/4

(o) Extend the Pearl Queen Pool to include:

Township 19 South, Range 35 East, NMPM

Section 21: N/2 SE/4 & SW/4 SE/4

Section 33: NW/4

(p) Extend the Ranger Lake Pennsylvanian Pool to include:

Township 12 South, Range 34 East, NMPM

Section 24: SW/4

(q) Extend the Shugart Siluro Devonian Gas Pool to include:

Township 18 South, Range 31 East, NMPM

Section 27: NE/4

(r) Extend the Skaggs-Glorieta Pool to include:

Township 20 South, Range 37 East, NMPM

Section 12: NW/4

(s) Extend the South Vacuum-Bone Springs Pool to include:

Township 18 South, Range 35 East, NMPM

Section 22: S/2

Section 27: W/2

Case No. 1581

BEFORE:

John Burroughs  
Murray Morgan  
A. L. Porter

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: We will take up Case No. 1581.

MR. PAYNE: Case 1581. Southeastern New Mexico  
nomenclature case.

(Witness sworn.)

RANDALL MONTGOMERY

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

DIRECT EXAMINATION

BY: MR. PAYNE:

Q Will the witness please state his name and position?

A Randall Montgomery, proration manager for the New Mexico Oil Conservation Commission.

Q Mr. Montgomery, in your official capacity as proration manager for the Oil Conservation Commission, have you had an opportunity to make a study concerning the necessity or desirability for the creation of new oil pools and the extension of existing pools in Eddy and Lea Counties?

A I have.

Q What are your recommendations concerning creation of a new oil pool for San Andres production?

A I recommend that Paragraph A be created as advertised. The reason for the creation of this new pool was the recent discovery by Harvey E. Yates in their Yates State Well No. 1, located in Unit G in Section 32, Township 18 South, Range 30 East, completed in the San Andres on 11/18/58. The top of perforations, 3834 feet, to be designated as the South Loco Hills-San Andres.

Q What are the vertical limits?

A The San Andres formation.

Q And horizontal limits?

A The Northeast Quarter of Section 32.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Southeastern New Mexico nomenclature case calling for an order for the creation of new pools and the extension of existing pools in Eddy and Lea Counties, New Mexico:

(a) Create a new oil pool for San Andres production designated as the South Loco Hills-San Andres Pool, and described as:

Township 18 South, Range 30 East, NMPM  
Section 32: NE/4

(b) Create a new oil pool for Seven Rivers production, designated as the West Pearl-Seven Rivers Pool, and described as:

Township 19 South, Range 34 East, NMPM  
Section 25: SE/4

(c) Create a new oil pool for Queen production, designated as the North Red Lake-Queen Pool, and described as:

Township 16 South, Range 28 East, NMPM  
Section 34: NE/4

(d) Create a new oil pool for Delaware production, designated as the Shugart Delaware Pool, and described as:

Township 18 South, Range 31 East, NMPM  
Section 22: SW/4

(e) Extend the Allison-Pennsylvanian Pool to include:

Township 9 South, Range 36 East, NMPM  
Section 10: NE/4

(f) Extend the South Carter-San Andres Pool to include:

Township 18 South, Range 39 East, NMPM  
Section 7: NE/4

Q What are your recommendations concerning creation of a new pool for Seven Rivers production?

A I recommend that pool be created as advertised in Paragraph B. The discovery well for this particular pool was the Cabot Carbon Company's Federal Well No. 1, located in Unit P, Section 25, Township 19 South, Range 34 East, completed in the Seven Rivers formation on 11/8/58. The top of perforations, 4085 feet. I recommend the name be the West Pearl-Seven Rivers, and that the horizontal limits be the southeast quarter of Section 25, the vertical limits the Seven Rivers formation.

MR. PORTER: Mr. Montgomery, do you recall offhand how far that pool is west of the Otero Queen Pool?

A Actually, it is pretty well in the heart of the pool, the development. The operator requested this name, and advertised it. It is pretty well in the heart of it now.

MR. PORTER: Do we have a Pearl Seven Rivers?

A We have a pearl Queen now, and this is a new pay in the heart of the pool.

MR. PORTER: I was wondering if it would be more appropriate to call it the Pearl Seven Rivers.

A I believe that it would be.

MR. PORTER: If so, it might be desirable to make that recommendation for the record, so that we can put it in.

A I would recommend that the pool be designated as the Pearl Seven Rivers due to the, instead of the West Pearl -

Seven Rivers, due to recent development that has changed the original name.

Q What are your recommendations concerning creation of a new pool for Queen production?

A I recommend the pool be created as advertised on Paragraph C, named the North Red Lake-Queen, the discovery well was Kinkaid & Watson, South Union Federal No. 4, in Unit G, of Section 34, Township 16 South, 28 East, completed in the Queen formation on 11/6/58. The depth to the casing shoe was 1477 feet. The vertical limits to be the Queen formation, and the horizontal limits to be the Northeast Quarter of Section 43.

Q What are your recommendations concerning creation of a new pool for Delaware production?

A I recommend that the pool be designated as advertised, described as the Shugart Delaware. The discovery well was Gulf Oil Corporation's Federal Littlefield "AB" No. 1 in Unit M of Section 22, Township 18 South, Range 31 East, completed in the Delaware on 11/10/58. The top of perforation was 4970 feet. The vertical limits should be the Delaware formation, the horizontal limits, the Southwest Quarter of Section 22.

Q What are your recommendations concerning extension of the Allison Pennsylvanian pool?

A It is my recommendation that the Allison Pennsylvanian pool be extended as advertised as shown on Exhibit No. 1, being the Northeast Quarter of Section 10. The purpose being one well

capable of producing from this pool.

Q What are your recommendations concerning extension of the South Carter-San Andres Pool?

A I recommend that the pool be extended as indicated on Exhibit 1. The reason being one well capable of producing from this pool.

Q What are your recommendations concerning extension of the Dos Hermanos Yates-Seven Rivers?

A That that pool be extended as advertised on Exhibit 1, based on one well capable of producing from this pool.

Q What are your recommendations concerning extension of the High Lonesome Pool?

A That this pool be extended as indicated on Exhibit 1, based on the recent completion of one well capable of producing.

Q And your recommendations as to the Justis-Blinebry, extension of the Justis-Blinebry Pool?

A That that pool be extended as indicated on Exhibit 1, on the basis of one well capable of producing.

Q And your recommendations concerning extension of the Justis-McKee Pool?

A That that pool be extended, on the basis of one well capable of producing, as indicated on Exhibit 1.

Q And your recommendation concerning extension of the Loco Hills Pool?

A That that pool be extended as indicated on Exhibit 1



and also the North half of the Northeast Quarter of Section 17, based on two wells capable of producing from that pool.

Q What are your recommendations concerning extension of the Maljamar Pool?

A That this pool be extended as indicated on Exhibit 1 and an unadvertised portion, which would be the Northwest Quarter and the West Half of the Northeast Quarter of Section 18, Township 17 South, Range 33 East. The reason being four wells capable of producing from this pool.

Q What are your recommendations concerning extension of the vertical limits of the East Millman-Queen Pool in Eddy County?

A It is my recommendation that the East Millman-Queen Pool be extended to include the Grayburg formation, by extending the vertical limits of the Queen to include the Grayburg formation.

MR. PORTER: In other words, this extension is merely a vertical limit, it is not horizontal?

A That is correct.

Q (By Mr. Payne) What are your recommendations concerning extension of the East Millman-Queen-Grayburg?

A That that pool be extended as indicated on Exhibit 1 on the basis of three wells capable of producing.

Q What are your recommendations concerning extension of the Pearl Queen Pool?

A That that pool be extended as indicated on Exhibit 1.

Three wells capable of producing is the reason for this extension.

Q And your recommendation as to the extension of the Ranger Lake Pennsylvanian Pool?

A That this pool be extended as indicated on Exhibit 1. The basis is one well capable of producing.

Q What are your recommendations concerning extension of the Shugart Siluro Devonian Gas Pool?

A That that pool be extended as indicated on Exhibit 1 on the basis of one well capable of producing.

Q What are your recommendations concerning extension of the Skagga-Glorieta Pool?

A That that pool be extended as indicated on Exhibit 1 on the basis of one well capable of producing.

Q What are your recommendations concerning extension of the South Vacuum-Bone Springs Pool?

A That that pool be extended as indicated on Exhibit 1 on the basis of two wells capable of producing from the Bone Springs.

Q Mr. Montgomery, have you prepared exhibits substantiating your recommendations?

A I have.

Q How have you denoted them?

A These Exhibits are indicated as Exhibit 1, and then A through S.

MR. PAYNE: Mr. Commissioner, I move that Exhibit 1

and Exhibits A through S in Case 1581 be received in evidence.

MR. PORTER: Without objection, the exhibits will be received.

MR. PAYNE: That concludes our case.

MR. PORTER: Anyone else have a question of the witness? The witness may be excused.

(Witness excused.)

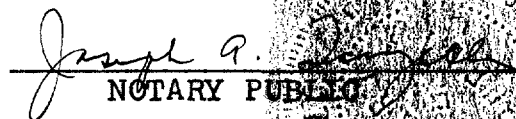
MR. PORTER: Nothing further to be offered in this case, we will take the case under advisement and proceed to case 1582.

STATE OF NEW MEXICO       )  
                                  )  
COUNTY OF BERNALILLO     )

ss

I, Joseph 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 Hearing 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 22nd day of January, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

  
NOTARY PUBLIC

My Commission Expires:

October 5, 1960