BEFORE THE OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE 1759

TRANSCRIPT OF HEARING

SEPTEMBER 16, 1959

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

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BEFORE THE OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO SEPTEMBER 16, 1959

IN THE MATTER OF:

CASE 1759 Northwestern New Mexico nomenclature case for an order extending existing pools in San Juan and Rio:
Arriba Counties, New Mexico.

- (a) Abolish the Chimney Rock-Gallup Oil Pool for : the purpose of joining two pools producing from a : common source of supply, to be known as the Horse-: shoe-Gallup Oil Pool.
- (b) Extend the Blanco-Pictured Cliffs Pool to include therein:

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM. Section 16: S/2

(c) Extend the South Blanco-Pictured Cliffs Pool to: include therein:

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM. Section 22: E/2

Section 26: N/2

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM. Section 19: NW/4

(d) Extend the Tapacito-Pictured Cliffs Pool to in-: clude therein:

TOWNSHIP 25 NORTH, RANGE 3 WEST, MMPM Section 14: E/2

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM. Section 25: E/2

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM.

Section 15: W/2

Section 16: All

Section 17: E/2 Section 20: E/2

Section 21: All

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Section 22: All Section 23: All Section 26: NW/L

(e) Extend the Otero-Chacra Pool to include therein::

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM Section 19: NE/4
Section 20: N/2 & SE/4

(f) Extend the Blanco-Mesaverde Pool to include therein:

TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM Section 33: All

(g) Extend the Angels Peak-Gallup Oil Pool to include therein:

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM. Section 28: S/2 NW/4

(h) Extend the Horseshoe-Gallup Oil Pool to include therein:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM.

Section 6: SE/4 NE/4

Section 8: NE/4 NE/4

Section 9: NW/4 NW/4

Section 13: S/2 SW/4

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM. Section 27: SW/4 SW/4

TOWNSHIP 31 NORTH, RANGE 17 WEST, SW/4 SW/4 Section 3: Section 4: All Section 5: NE/4, E/2 SE/4, & NW/4 SE/4NE/L, N/2 NW/L, SE/L NW/L, & N/2 SE/LSection 9: Section 10: W/2, SE/4, & S/2 NE/4 Section 11: SW/4 Section 13: SE/4 SW/4 Section 14: N/2 & SE/4 Section 23: E/2 NE/4 Section 25: SE/4 SE/4

TOWNSHIP 32 NORTH, RANGE 17 WEST, NMPM. Section 33: SW/4 SW/4

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(i) Extend the Otero-Gallup Oil Pool to include therein:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM.

Section 5: SW/4

Section 8: NW/4 NW/4

(j) Extend the Verde-Gallup Oil Pool to include therein:

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM. Section 21: SW/4 & SW/4 SE/4

(k) Extend the Angels Peak-Dakota Pool to include therein:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM Section 31: All

(1) Extend the West Kutz-Dakota Pool to include therein:

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM. Section 18: N/2

BEFORE:

Gov. John Burroughs
A. L. Porter
Murray Morgan

TRANSCRIPT OF PROCEEDINGS

MR. PORTER: Proceed to Case 1759.

MR. PAYNE: Case 1759. Northwestern New Mexico nomenclature case for an order extending existing pools in San Juan and Rio Arriba Counties, New Mexico.

(Witness sworn)

E. C. ARNOLD.

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 E. C. Arnold, supervisor District 3 of the Oil Conservation Commission.
- Q Mr. Arnold, have you made a study concerning the necessity or desirability for extending certain existing pools in San Juan and Rio Arriba Counties, New Mexico?
 - A Yes, I have.
- Q And for the necessity or desirability of abolishment of certain pools?
 - A Yes.
- Q What are your recommendations concerning the abolishing the Chimney Rock-Gallup Oil Pool for the purpose of joining two pools producing from a common source of supply?
- A I recommend that the Chimney Rock-Gallup Oil Pool be abolished.
- Q What are your recommendations concerning extension of the Blanco-Pictured Cliffs Pool?
- A I recommend that the Blanco-Pictured Cliffs Pool be extended as shown in Paragraph (b), Exhibit No. 1, on the basis of one well completed in this pool.
- Q What are your recommendations concerning extension of the South Blance-Pictured Cliffs Pool?

- A I recommend that the South Blanco-Pictured Cliffs Pool be extended as shown in Paragraph (c) on the basis of three wells which have been completed.
- Q What are your recommendations concerning the extension of the Tapacito-Pictured Cliffs Pool?
- A I recommend the Tapacito-Pictured Cliffs Pool be extended as shown in Paragraph (d). Exhibit 1, on the basis of ten wells capable of producing from this pool.
- Q What are your recommendations concerning extension of the Otero-Chacra Pool?
- A I recommend the Otero-Chacra Pool be extended as shown in Paragraph (e), Exhibit 1, on the basis of two wells completed in this pool.
- Q What are your recommendations concerning extension of the Blanco-Mesaverde Pool?
- A I recommend the Blanco-Mesaverde Pool be extended as shown in Paragraph (f), Exhibit 1, on the basis of one well completed in this pool.
- Q What are your recommendations concerning extension of the Angels Peak-Gallup Oil Pool?
- A I recommend the Angels Peak-Gallup Oil Pool be extended as shown in Paragraph (g), Exhibit 1, on the basis of one well completed in this pool.
- Q What are your recommendations concerning extension of the Horseshoe-Gallup Oil Poel?

as shown in Paragraph (h) on the basis of seventeen wells capable of producing from this pool, and also this Paragraph includes that area which is previously included in the Chimney Rock-Gallup Oil Pool, which we have abolished.

Q What are your recommendations concerning extension of the Otero-Gallup Oil Pool?

A I recommend that the Otero-Gallup Oil Pool be extended as shown in Paragraph (i), Exhibit 1, on the basis of one well completed in the pool.

Q What are your recommendations concerning extension of the Verde-Gallup Oil Pool?

A I recommend the Verde-Gallup Oil Pool be extended as shown in Paragraph (j), Exhibit 1, on the basis of two wells completed in this pool.

Q What are your recommendations concerning extension of the Angels Peak-Dakota Pool?

A I recommend the Angels Peak-Dakota Pool be extended as shown in Paragraph (k), Exhibit 1, on the basis of one well completed in this pool.

Q What are your recommendations concerning extension of the West Kutz-Dakota Pool?

A I recommend the West Kutz-Dakota Pool be extended as shown in Paragraph (1), Exhibit 1, on the basis of one well completed in this pool.

- Q Have you prepared Exhibits substantiating your recommendations?
 - A Yes. This is marked Exhibit No. 1, Case 1759.

MR. PAYME: Mr. Commissioner, I move the introduction of Exhibit 1 in Case 1759.

MR. PORTER: Without objection, the Exhibit will be admitted. Anyone else have a question of Mr. Arnold? 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 recess the hearing until nine o'clock temorrow morning.

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 25th day of September 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Jank & Typic NOTARY PUBLIC

My Commission Expires: October 5, 1960