

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 14, 1960

IN THE MATTER OF
CASE NO. 1860

TRANSCRIPT OF PROCEEDINGS

January 14, 1960.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



I N D E XWITNESSPAGE

E. C. ARMED

Direct Examination by Mr. Payne

6

<u>NUMBER</u>	<u>EXHIBIT</u>	<u>MARKED FOR IDENTIFICATION</u>	<u>OFFERED</u>	<u>ADMITTED</u>
OCC #1	Nomenclature	7	10	10

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ALBUQUERQUE, NEW MEXICO



BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 14, 1960.

IN THE MATTER OF:

NORTHWESTERN NEW MEXICO NOMENCLATURE CASE
calling for an order for the extension of
existing pools in San Juan, Rio Arriba and
Sandoval Counties, New Mexico:

(a) Abolish the Huerfano-Dakota Pool for
the purpose of joining pools producing
from a common source of supply, to be
known as the Angels Peak-Dakota Pool.

(b) Abolish the West Kutz-Dakota Pool for
the purpose of joining pools producing
from a common source of supply, to be
known as the Angels Peak-Dakota Pool.

(c) Extend the Aztec-Fruitland Pool to
include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM,
Section 20: S/2

(d) Extend the Aztec-Pictured Cliffs Pool
to include:

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM,
Section 36: SE/4

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

TOWNSHIP 23 NORTH, RANGE 5 WEST, NMPM,
Section 6: W/2

TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM,
Section 1: SE/4

(f) Extend the Blanco-Pictured Cliffs Pool
to include:

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM,
Section 6: NE/4

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

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM,
Section 2: W/2

- (h) Extend the Blanco-Mesaverde Pool to include:

TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM,
Section 3: E/2

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

TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM,
Section 7: E/2
Section 17: W/2
Section 18: NE/4
Section 20: NW/4

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

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM,
Section 27: SE/4 SW/4
Section 28: SW/4 NE/4 & S/2 NW/4

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

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM,
Section 21: SE/4 SE/4
Section 22: SW/4 SW/4
Section 30: NE/4 SE/4

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

TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM,
Section 7: All
Section 18: All
Section 19: N/2
Section 20: N/2

TOWNSHIP 26 NORTH, RANGE 10 WEST, NMPM,
Section 1: All
Section 2: E/2 & SW/4
Section 3: S/2
Section 23: E/2
Section 24: All

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TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM,)
 All of sections 1 thru 4 inclusive)
 All of sections 9 thru 16 inclusive)
 All of sections 21, 22, & 23)
 Section 26: N/2)
 Section 27: N/2)
 Section 28: All)

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM,)
 Section 18: All)
 Section 19: All)

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM,)
 Section 6: W/2)
 All of sections 7, 8, 11, 13, 14, 17,)
 18, 19, 20, & 21,)
 Section 23: E/2)
 Section 24: All)
 Section 26: E/2)
 Section 29: W/2)
 Section 30: All)
 Section 31: All)
 Section 32: All)
 Section 33: W/2)
 Section 35: E/2)

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(Continued)

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM,)
 All of sections 1 thru 28 inclusive)
 Section 29: N/2)
 Section 30: N/2)
 All of sections 33 thru 36 inclusive)

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM,)
 All of sections 1 thru 18 inclusive and)
 sections 23 & 24)
 Section 25: N/2)

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM,)
 Section 1: All)
 Section 2: E/2 & NW/4)
 Section 3: N/2)
 Section 4: N/2)
 Section 5: E/2)

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM,)
 All of sections 18, 19, & 30)

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM,)
 Section 12: All (partial))
 All of sections 13 thru 16, 21 thru 28,)
 and 31 thru 36)



TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM,)
 All of sections 19 thru 22, and 26 thru)
 36)

TOWNSHIP 28 NORTH, RANGE 13 WEST, NMPM,)
 Section 9: All (partial))
 Section 10: All (partial))
 All of sections 15 and 16)
 Section 17: E/2)
 Section 20: E/2)
 All of sections 21 thru 27)
 Section 28: E/2)
 Section 33: E/2)
 All of sections 34, 35, & 36)

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TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM,)
 All of sections 27, 28, 33, & 34)

(Continued)

(m) Extend the South Los Pinos-Dakota Pool)
 to include:)

TOWNSHIP 31 NORTH, RANGE 7 WEST, NMPM,)
 Section 13: All)
 Section 14: S/2)
 Section 23: N/2)

BEFORE:

Hon. John W. Burroughs,
 A. L. Porter, Secretary-Director
 Murray Morgan, Land Commissioner

TRANSCRIPT OF PROCEEDINGS

MR. PORTER: The meeting will come to order, please.

I certainly hope there will be no interruptions in the hearing this morning, but Mr. Morgan will have to leave about 10:00 or shortly thereafter, on a hurried trip to Washington, and the Governor has assured me that he will make it over here by 10:00, or by the time Mr. Morgan leaves, so we will have a continuous forum.



I would like to announce at this time that the allowable for the Northwest will be 63 barrels.

We are going to call the Northwest nomenclature case first this morning, which will take about five minutes, in order to release witnesses.

Before we cover that, I have a statement to read concerning the cases heard yesterday:

"After the most serious consideration, the Commission has decided to deny all the requests for exceptions to Order R-1427, which requests were heard yesterday. While the Commission recognizes that some of the applicants have been diligent in executing gas sale contracts and obtaining FPC certificates, the fact is that considerable amounts of casinghead gas are now being flared. Inasmuch as our obligation to prevent the physical waste of oil and gas is paramount, we do not feel that further extensions of time in which to make beneficial use of casinghead gas in Bisti and Gallegos are warranted.

When wells which have been shut-in due to lack of a casinghead gas connection are connected, the 125% daily tolerance provision will be waived during the month in which the connection is made if necessary.

We again remind all operators that as soon as well connections are obtained, the Aztec office of the Oil Conservation Commission must be so notified."

We will proceed now to the Northwest nomenclature case Number 1860.

MR. PAYNE: Northwestern New Mexico nomenclature case calling for an order for the extension of existing pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico.

E. C. ARMED

a witness, called by and on behalf of the Oil Conservation Commission, was duly sworn, and testified as follows:

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DIRECT EXAMINATION

BY MR. PAYNE:

Q Will the witness state his name and address?

A E. C. Armed, supervisor, District 3, Oil Conservation Commission.

Q Mr. Armed, in your official employment, in the Oil Conservation Commission, have you made a study concerning the need, or desirability for extending certain pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico?

A Yes, sir.

Q Do you recommend that paragraph "a" of Case 1860 be denied, pending further study?

A Yes, I do.

Q Do you recommend paragraph "b" of Case 1860 be ~~dismissed~~?

A Yes, sir.

Q What is your recommendation concerning the extension of the Aztec-Fruitland Pool?

A I recommend this pool be extended as shown in paragraph "c", see Exhibit Number 1, on the basis of one oil well completed in this pool.

Q What are your recommendations concerning the Aztec-Pictured Cliffs Pool?

A I recommend this pool be extended as shown in paragraph "d", Exhibit Number 1, on the basis of one well completed in this pool.

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Q What are your recommendations concerning the extension of the Ballard-Pictured Cliffs Pool?

A I recommend that the Ballard-Pictured Cliffs Pool be extended as shown in paragraph "e", Exhibit Number 1, on the basis of two wells completed in this pool.

Q What are your recommendations concerning the extension of the Blanco-Pictured Cliffs Pool?

A I recommend that the Blanco-Pictured Cliffs Pool be extended as shown in paragraph "f", Exhibit Number 1, on the basis of one well that has been completed in this pool.

Q What are your recommendations concerning the extension of the South Blanco-Pictured Cliffs Pool?

A I recommend that this pool be extended as shown in paragraph "g", Exhibit Number 1, on the basis of one well completed in this pool.

Q What are your recommendations concerning the extension of Blanco-Mesaverde Pool?

A I recommend that the Blanco-Mesaverde Pool be extended as shown in paragraph "h", Exhibit Number 1, on the basis of one well completed in this pool.

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

A I recommend that the Angels-Peak-Gallup Oil Pool be extended as shown in paragraph "i", Exhibit Number 1, on the basis of one well completed in this pool.



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

A I recommend that the Horseshoe-Gallup Oil Pool be extended as shown in paragraph "j", Exhibit Number 1, on the basis of three wells which have been completed in this pool.

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

A I recommend that the Verde-Gallup Oil Pool be extended as shown in paragraph "k", Exhibit Number 1, on the basis of two wells which have been completed in this pool.

Q Do you recommend that paragraph "l" of Case 1860 be dismissed, pending further study?

A Yes, I do.

Q What are your recommendations concerning the extension of the South Los Pinos-Dakota Pool?

A I recommend that the South Los Pinos-Dakota Pool be extended as shown in paragraph "m", Exhibit Number 1, on the basis of one well completed in this pool.

Q And have you prepared an extension exhibit, substantiating your recommendations?

A Yes, sir. This exhibit is a list of the descriptions of the extensions, with the wells upon which these extensions are based.

Q Now, how is this exhibit designated?

A It is marked New Mexico Oil Conservation Commission



Exhibit 1, Case 1860."

MR. PAYNE: Mr. Commissioner, I move the introduction of Exhibit 1 in Case 1860.

MR. PORTER: Without objection, Exhibit 1 will be admitted.

MR. PAYNE: That concludes the direct of this witness.

MR. PORTER: Mr. Armed, what were the paragraphs that you recommended be dismissed?

A Paragraphs "a", "b", and "l".

MR. PORTER: "a", "b", and "l", all of which have to do with the pools?

A Yes, sir.

MR. PORTER: The Commission will dismiss paragraphs "a", "b", and "l".

Does anyone else have any questions of Mr. Armed?

(No response.)

MR. PORTER: The witness may be excused.

(Witness excused.)

MR. PORTER: If there is nothing further on this case, we will take the balance of the case under advisement.

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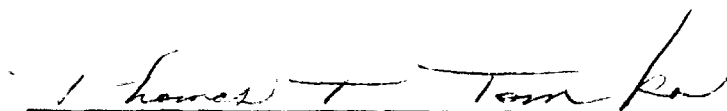
ALBUQUERQUE, NEW MEXICO



STATE OF NEW MEXICO)
) ss.
 COUNTY OF BERNALILLO)

I, THOMAS T. TOMKO, Court Reporter, 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 under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my hand this 20th day of January, 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.


 Thomas T. Tomko, Court Reporter.

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