BEFORE THE OIL CONSERVATION COMMISSION HOBBS, NEW MEXICO APRIL 13, 1960

IN THE MATTER OF:

- CASE 1939 Northwestern New Mexico nomenclature case calling: for an order creating new pools and extending : existing pools in San Juan and Rio Arriba Counties: New Mexico.
 - (a) Create a new pool classified as an oil pool, designated as the Chiquito-Gallup Oil Pool and described as:

TOWNSHIP 26 NORTH, RANGE 1 EAST, NMPM. SECTION 5: NE/4

(b) Extend the Pine Lake-Pictured Cliffs Pool to : include:

TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM SECTION 30: All (partial)

(c) Extend the Tapacito-Pictured Cliffs Pool to include:

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM SECTION 12: SW/4 SECTION 13: NW/4

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

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM SECTION 9: SE/4

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

TOWNSHIP 32 NORTH, RANGE 13 WEST, NMPM SECTION 26: W/2

(f) Extend the Angels Peak-Gallup Oil Pool to in-: clude:

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM SECTION 19: SE/4
SECTION 29: NW/4
SECTION 30: NE/4

(g) Extend the Horseshoe-Gallup Oil Pool to in- : clude:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM SECTION 10: S/2 SW/4

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM : SECTION 27: SE/4 NW/4, NE/4 SW/4, & SE/4:

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

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM SECTION 30: S/2 SE/4
SECTION 31: NE/4 NE/4

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

TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM SECTION 6: W/2 SECTION 7: W/2

TOWNSHIP 26 NORTH, RANGE 10 WEST, NMPM SECTION 1: All

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM SECTION 19: E/2 SECTION 20: All

(j) Extend the South Blanco-Dakota Pool to include:

TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM SECTION 19: W/2 SECTION 27: S/2

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM SECTION 24: S/2

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

TOWNSHIP 28 NORTH, RANGE 13 WEST, NMPM

SECTION 9: All (partial)

SECTION 10: All (partial)

SECTION 15: All

SECTION 16: N/2

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM

SECTION 27: All

SECTION 28: All

SECTION 33: All

SECTION 34: W/2

BEFORE:

John Burroughs

Daniel S. Nutter

A. L. Porter

TRANSCRIPT OF PROCEEDINGS

MR. PORTER: The meeting will come to order, please, At this time, in order to release a witness, we are going to take the Northwestern nomenclature case, Case 1939.

MR. PAYNE: Case 1939. Northwestern New Mexico nomenclature case.

(Witness sworn)

E. C. ARNOLD,

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

DIRECT EXAMINATION

BY MR. PAYNE:

- Q Please state your name and position.
- A E. C. Arnold. supervisor District Supply, New Mexico Oil Conservation Commission.

- Q Mr. Arnold, in your official capacity for the Commission, have you made a study concerning the necessity or desirability for creating new pools and extending existing pools of San Juan and Rio Arriba Counties, New Mexico?
 - A Yes, I have.
- Q What are your recommendations concerning the creation of a new pool for Gallup production?
- A I recommend a new pool in Rio Arriba County, New Mexico be created and designated as a Puerto Chiquito-Gallup Oil Pool.
 - Q You have added the Puerto since the docket was printed?
- A Yes. I added this Puerto at the request of the Intex Oil Company who drilled a discovery well in this pool. I recommend that the horizontal limits of this pool be Township 26 North, Range 1 East, Section 5: NE/4. Discovery well in this pool was the Intex Oil Company #1 USL Alto, Unit B-5-26 North, 1 East. Total depth, 1958 feet. Top perforation 1785.
 - Q What do you recommend for the vertical limit?
- A I recommend the vertical limit at the present time be the Gallup formation.
 - Q Is this well in the Mancos shale?
- A This well is in a fractured section of the Mancos shale; actually, it corresponds to the Gallup section of the Mancos Shelf.
- Q What are your recommendations concerning the extension of the Pine Lake-Pictured Cliffs Pool?

- A I recommend that the Pine Lake-Pictured Cliffs Pool be extended as shown in Paragraph (b), Exhibit 1, on the basis of one well completed in this pool.
- Q What are your recommendations concerning the extension of the Tapacito-Pictured Cliffs Pool?
- A I recommend that this Pool be extended as shown in Paragraph (c), Exhibit 1, on the basis of one well which has been completed in this Pool.
- Q What are your recommendations concerning the extension of the West Kutz-Pictured Cliffs Pool?
- A I recommend the West Kutz-Pictured Cliffs Pool be extended as shown in Paragraph (d), Exhibit 1, on the basis of one well completed in this Pool.
- Q What are your recommendations concerning the extension of the Blanco-Mesaverde Pool?
- A I recommend the Blanco-Mesaverde Pool be extended as shown in Paragraph (e), Exhibit 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 this Pool be extended as shown in Paragraph (f), 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 the Horseshoe-Gallup Oil Pool be extended as

shown in Paragraph (g), Exhibit 1, on the basis of six 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 (h), Exhibit 1, on the basis of one well, which has been completed in this Pool.

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

A I recommend the Angels Peak-Dakota Pool be extended as shown in Paragraph (i), Exhibit 1, on the basis of three wells completed in this Pool.

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

A I recommend the South Blanco-Dakota 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 the extension of the West Kutz-Dakota Pool?

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

Q Mr. Arnold, have you prepared an Exhibit substantiating your recommendations?

A Yes. I have marked the Exhibit No. 1, Case 1939.

MR. PAYNE: Mr. Commissioner, we move the introduction of Exhibit 1, Case 1939.

MR. PORTER: Without objection, the Exhibit will be admitted. Does anyone have a question of the witness? The witness may be excused.

(Witness excused)

MR. PORTER: If there is nothing further to be offered in this case, we will take the case under advisement.

* * *

STATE OF NEW MEXICO)

OUNTY OF BERNALILLO)

I, THOMAS T. TOMKO, Court Reporter, 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 machine shorthand 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 Worlday of Ward A.D.1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Notary Public

My Commission Expires:

January 7, 1964