BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico December 19, 1962

REGULAR HEARING

IN THE MATTER OF:

Southeastern New Mexico nomenclature case calling for an order creating new pools and extending certain existing pools in Chaves, Eddy, Lea and Roosevelt Counties, New Mexico.

Case 2722

BEFORE: Honorable Thomas Bolack Mr. A. L. "Pete" Porter Mr. E. S. "Johnny" Walker

TRANSCRIPT OF HEARING

MR. PORTER: We will take up next Case 2722.

MR. DURRETT: Southeastern New Mexico nomenclature case calling for an order creating new pools and extending certain existing pools in Chaves, Eddy, Lea and Roosevelt Counties. New Mexico.

(Witness sworn.)

DANIEL NUTTER

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

DIRECT EXAMINATION

BY MR. DURRETT:



FARMINGTON, N. M. PHONE 325-1182

FARMINGTON, N. M. PHONE 325-1182

Q Will you please state your name and position for the record?

A Dan Nutter, Chief Engineer for the Oil Conservation Commission.

Q Mr. Nutter, are you prepared to recommend to the Commission that it should enter an order creating new pools and extending certain existing pools in Chaves, Eddy, Lea and Roosevelt Counties, New Mexico?

A Yes, sir, I am.

Q Have you prepared your recommendations in the form of an exhibit?

A I've had such prepared.

(Whereupon, Exhibit No. 1 was marked for identification.)

Q Does this exhibit correspond with the advertisement in this case and the docket as it appears here today?

A In some respects.

Q You do have some changes to make?

A Yes, sir.

Q Would you please go through those changes at this time?

A Yes, sir. I recommend the creation of the Diablo-San Andres Pool comprising the Southeast Quarter of Section 16, 10 South, 27 East. The pool was discovered by Ernest A. Hanson No. 1 in Unit P of Section 16, completed in the San Andres



formation August 8 of '62 with the top of the perforations at 2062. I recommend the creation of the South Anderson-Wolfcamp comprising the Northwest Quarter of Section 23, Township 16 South, 32 East. It was discovered by Shell Oil Company's Emerald Unit No. 1 in Unit C of Section 23, completed in the Wolfcamp formation October 11, 1962; top of the perforations at 9660.

I recommend the creation of the Big Eddy-Wolfcamp Gas Pool comprising the Southeast Quarter of Section 3, Township 20 South, 31 East. It was discovered by Pan American Big Eddy Unit No. 1 in Unit P of Section 3, completed in the Wolfcamp September 17, 1962 with the top of the perforations at 10,690.

I recommend the creation of the South Prairie-San Andres
Pool comprising the Southeast Quarter of Section 16, Township
8 South, Range 36 East in Roosevelt County. It was discovered
by Coastal States Gas Producing Company Atlantic State No. 1 in
Unit V, Section 16; completed in the San Andres formation October 8, 1962 with the top of the perforations at 4,804 feet.

I recommend that the Allison-Pennsylvanian Pool be extended as shown on the docket and also that the following acreage be added to the pool: In Township 9 South, Range 37 East, the West Half, Northwest Quarter of Section 3, the Northeast Quarter of Section 4, the Southwest Quarter of Section 4, and the Northwest



Quarter of Section 17. I recommend that the pools be extended as advertised as shown on the docket until we come to paragraph (h), that it be extended as shown on the docket, and also that the Southeast Quarter of Section 24, Township 21 South, Range 36 East be added.

- Q That was the Blinebry Pool?
- A That was the Blinebry Pool.
- Q Thank you.

A I recommend that the other extensions be made as shown on the docket and as advertised until we come to paragraph (1), and that the Double X-Delaware Pool be shown as on the docket and also that the West Half of Section 12 of Township 24 South, 31 East be added.

- Q You are referring to actually paragraph (1), is that correct?
 - A Paragraph (1).
 - Q Double X-Delaware Pool?
- A Yes. I recommend that paragraph (m) be as shown on the docket, that paragraph (n) be as shown on the docket, and also that the Southwest Quarter of Section 15, Township 16 South, Range 33 East be added, and also that the Southeast Quarter of Section 26 and the Southwest Quarter of Section 35, Township 10 South, Range 33 East be added.



DEARNLEY-MEIER REPORTING SERVICE, Inc.

Q That's in the West Hume-Queen Pool?

A In paragraph (n), the Southwest Quarter of Section 15 and 16 South, 33 East is all that goes on that one. Then in the South Lane-Pennsylvanian Pool, that it be extended as advertised and also that the Southeast Quarter of Section 26, the West Half, Northeast Quarter of 26 and the Southeast Quarter of 35 in 10 South, 33 East be added. Also that the East Half of Section 6 in Township 11 South, Range 34 East be added to the South Lane-Pennsylvanian Pool.

I recommend that paragraph (p) be as shown on the docket; that paragraph (q) be as shown on the docket with the addition also of the North Half of Section 17, Township 16 South, Range 32 East, Mesa Queen.

I recommend that paragraph (r) be as shown on the docket; paragraph (s) as shown on the docket, and paragraph (t) for the Paddock Pool be as shown on the docket, and also that the Southeast Quarter of Section 24, Township 21 South, Range 36 East be added.

I recommend that the Round Tank-San Andres Pool in paragraph (u) be extended as shown on the docket, and also that the Southeast Quarter of Section 24, Township 15 South, Range 28 East be added.

I would recommend that paragraph (v) be as shown on the



BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 2722 ORDER NO. R-2393

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER CREATING AND EXTENDING CERTAIN POOLS IN CHAVES, EDDY, LEA, AND ROOSEVELT COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on December 19, 1962, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 26th day of December, 1962, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

PINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That there is need for the creation of a new pool in Chaves County, New Mexico, for the production of oil from the Sam Andres formation, said pool to bear the designation of Diablo-San Andres Pool. Said Diablo-San Andres Pool was discovered by Ernest A. Hanson, Diablo State No. 1, located in the SE/4, Unit P of Section 16, Township 10 South, Range 27 East, NMPM. It was completed August 8, 1962. The top of perforations is 2062 feet.
- (3) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of South Anderson-Wolfcamp Pool. Said South Anderson-Wolfcamp Pool was discovered by Shell Oil Company, Emerald Unit No. 1, located in the NW/4, Unit C of Section 23, Township 16 South, Range 32 East, NMPM. It

-2-Case No. 2722 Order No. R-2393

was completed October 11, 1962. The top of perforations is 9660 feet.

- (4) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Wolf-camp formation, said pool to bear the designation of Big Eddy-Wolfcamp Gas Pool was discovered by Pan American Petroleum Corporation, Big Eddy Unit No. 1, located in the SE/4, Unit P of Section 3, Township 20 South, Range 31 East, NMPM. It was completed September 17, 1962. The top of perforations is 10,690 feet.
- (5) That there is need for the creation of a new pool in Roosevelt County, New Mexico, for the production of oil from the San Andres Formation, said pool to bear the designation of South Prairie-San Andres Pool was discovered by Coastal States Gas Producing Company, Atlantic State No. 1, located in the SE/4, Unit P of Section 16, Township 8 South, Range 36 East, KMPM. It was completed October 8, 1962. The top of perforations is 4804 feet.
- Tank-San Andres Pool in Chaves County, New Mexico, the Brushy Draw-Delaware Pool, the Loco Hills Pool, the East Millman-Seven Rivers Pool, the East Turkey Track-Queen Pool, all in Eddy County, New Mexico, the Allison-Pennsylvanian Pool in Roosevelt County, New Mexico, the Allison-Pennsylvanian Pool, the West Anderson Ranch-Grayburg Pool, the Arkansas Junction-Queen Gas Pool, the Blinebry Pool, the Corbin-Abo Pool, the Double A-Abo Pool, the Double X-Delaware Pool, the Drinkard Pool, the West Hume-Queen Pool, the South Lane-Pennsylvanian Pool, the Mesa-Queen Pool, the Monument-Tubb Pool, the Paddock Pool, the Salado Draw-Delaware Pool, and the Vacuum-Abo Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production, is hereby created and designated as the Diablo-San Andres Pool, consisting of the following described area:

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM SECTION 16: SE/4

(b) That a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production, is hereby created and designated as the South Anderson-Wolfcamp Pool, consisting of the following described area:

-3-

Case No. 2722 Order No. R-2393

TOWNSHIP 16 SOUTH, RANGE 32 EAST, HMPM SECTION 23: NW/4

(c) That a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production, is hereby created and designated as the Big Eddy-Wolfcamp Gas Pool, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 31 EAST, MIPM SECTION 3: SE/4

(d) That a new pool in Roosevelt County, New Mexico, classified as an oil pool for San Andres production, is hereby created and designated as the South Prairie-San Andres Pool, consisting of the following described area:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, HMPM SECTION 16: SE/4

(e) That the Allison-Pennsylvanian Pool in Roosevelt and Lea Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWESHIP 8 SOUTH, RANGE 37 EAST, MUPH SECTION 33: E/2 SE/4

TOWNSHIP 9 SOUTH, BANGE 37 EAST, HAPM

SECTION 3: W/2 MW/4

SECTION 4: NE/4 & SW/4

SECTION 17: NW/4

(f) That the West Anderson Ranch-Grayburg Pool in Lea County, Hew Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 32 RAST, NIPM

SECTION 5: SW/4 SECTION 6: 8/2

(g) That the Arkansas Junction-Queen Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWESHIP 18 SOUTH, RANGE 36 EAST, NOOM SECTION 23: NE/4

(h) That the Blinebry Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

-4-Case No. 2722 Order No. R-2393

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM SECTION 19: W/2 SW/4

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM SECTION 24: SE/4

(i) That the Brushy Draw-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM SECTION 14: E/2 SE/4

(j) That the Corbin-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM SECTION 2: NE/4

(k) That the Double A-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NAPM SECTION 21: NW/4

(1) That the Double X-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM SECTION 12: W/2 SECTION 14: SW/4

(m) That the Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TONNSHIP 21 SOUTH, BANGE 36 EAST, NMPM SECTION 24: E/2 SE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM SECTION 2: Lot 10 SECTION 19: W/2 SW/4

(n) That the West Hume-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

-5-Case No. 2722 Order No. R-2393

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM SECTION 15: S/2

(o) That the South Lane-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NNPM

SECTION 23: S/2

SECTION 26: NW/4, W/2 NE/4 & SE/4

SECTION 35: SW/4

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NAPM SECTION 6: E/2

(p) That the Loco Hills Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NOPM SECTION 19: N/2 SW/4

(q) That the Mesa-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM

SECTION 16: NE/4 SECTION 17: N/2

(r) That the East Millman-Seven Rivers Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM SECTION 22: W/2 8W/4

(s) That the Monument-Tubb Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM SECTION 22: NW/4

(t) That the Paddock Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM SECTION 19: W/2 SW/4

-6-

Case No. 2722 Order No. R-2393

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NORM SECTION 24: SE/4

(u) That the Round Tank-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, MMPM

SECTION 24: SE/4 SECTION 25: E/2

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM SECTION 19: SW/4

(v) That the Salado Draw-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 33 EAST, NMPM SECTION 10: NE/4

(w) That the East Turkey Track-Queen Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM SECTION 1: SW/4

(x) That the Vacuum-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM SECTION 26: NW/4 NE/4

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM SECTION 7: S/2 SW/4

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM SECTION 12: SW/4 NE/4

IT IS FURTHER ORDERED:

That the effective date of this order and all creations and extensions included herein shall be January 1, 1963.

-7-Case No. 2722 Order No. R-2393

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

Eswalker

TOM BOLACK, Chairman

E. S. WALKER, Member

a. L. Cheter, J.

A. L. PORTER, Jr., Member & Secretary