

NEW MEXICO OIL CONSERVATION COMMISSION

REGULAR HEARINGSANTA FE, NEW MEXICOREGISTERHEARING DATE JUNE 19, 1963 TIME: 9 A.M.

NAME:	REPRESENTING:	LOCATION:
R. L. Denton	Mobil Oil	Midland Tex
W. J. Shirey	Sinclair	Midland, Texas
L. L. Shoemaker	Indiana	✓
Jim Lott	El Paso Nat. Gas Products Co.	Farmington, N.M.
W. G. Sullivan	✓	El Paso
R. T. Wright	El Paso Natural Gas	Sal, N.M.
Jerry Herson	"	El Paso
A. O. Shiplet	"	Sal, N.M.
M. T. Smith	Arginal O & G	Midland
J. F. Weatherman	Texaco Inc.	"
R. M. Wiese	Gulf Oil Corp	Midland, Tex
J. E. Black	Duff Oil Corp	Pittsburgh, Pa
R. H. Mills	✓	Houston
J. G. Coates	✓	✓
E. R. Burwell	The Basin Corp	Houston

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
June 19, 1963

REGULAR HEARING

IN THE MATTER OF:

Southeastern New Mexico Nomenclature case
calling for an order for the creation,
abolishment, and the extension of the
vertical and horizontal limits of certain
pools in Lea, Eddy, and Roosevelt Counties,
New Mexico.

CASE NO.

2832

BEFORE:

Honorable Jack M. Campbell, Governor
E. S. "Johnny" Walker, Land Commissioner
A. L. "Pete" Porter, Secretary-Director

TRANSCRIPT OF HEARING

MR. PORTER: We will take up next Case 2832.

MR. DURRETT: Case 2832, Southeastern New Mexico nomenclature case calling for an order for the creation, abolishment, and the extension of the vertical and horizontal limits of certain pools in Lea, Eddy, and Roosevelt Counties, New Mexico.

(Witness sworn.)

DAN NUTTER

called as a witness herein, having been first duly sworn on oath,
was examined and testified as follows:

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691



DIRECT EXAMINATION

BY MR. DURRETT:

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 today that it issue an order for the creation, abolishment, and extension of the vertical and horizontal limits of certain pools in Lea, Eddy and Roosevelt Counties, New Mexico?

A Yes, sir, I am.

Q And have your recommendations been prepared in the form of an exhibit?

A Yes.

Q Is that exhibit substantially similar to, or identical to the docket as distributed here today?

A Substantially the same. There are some deviations from the docket, however.

Q Would you please refer to the exhibit, Mr. Nutter, and to the docket, and read into the record any changes that you would recommend?

A I would recommend first that this Estacado-Pennsylvanian Pool be created; this pool was discovered by Union of California State's 117, the NE/4 of Section 17.

The well was completed in the Pennsylvanian on April 16th,

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243 6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182SANTA FE, N. M.
PHONE 983-3971ALBUQUERQUE, N. M.
PHONE 243-6691

1963, and the top perforation is 11,478 feet. The vertical limits would be the entire Penn Section.

I recommend the High Plains be created as advertised on the docket. It was discovered by Texas Crude Oil Company and Sinclair Gas Company's State 123 in Unit "M" of Section 23; completed in the Pennsylvanian on April 10th, 1963, with the top of perforation 10,463 feet; vertical limits would be the entire Penn formation.

I recommend the creation of the Hope-Strawn Gas Pool as shown on the docket. This pool was discovered by Sunray-DX Oil Companies, New Mexico State AH Number 1, in Unit "K" of Section 30. It was completed in the Strawn, January 12th, 1963, with the top of perforations at 7,326 feet. The vertical limits would be the Strawn pay of the Penn formation.

I recommend the creation of the North Justis-Glorieta Pool as shown on the docket. It was discovered by Western States Petroleum Company's Carlson B-1 Number 2 in Unit "E" of Section 1. It was completed in the Glorieta on March 13th, 1963, with the top of the perforation at 4,900 feet; the vertical limits would be the Glorieta formation.

I recommend the creation of the Vacuum-Pennsylvanian Pool as shown on the docket; it was discovered by Socony-Mobil Oil Company's State-Bridges Number 96, in Unit "H" of Section 26. It was completed in the Penn on March 3rd, 1963, with the top of the perforations at 11,372 feet; vertical limits would be the entire Penn formation.



FARMINGTON, N. M.
PHONE 325-1182SANTA FE, N. M.
PHONE 983-3971ALBUQUERQUE, N. M.
PHONE 243-6691

I recommend the creation of the West Milnesand-San Andres Pool in Roosevelt County, as shown on the docket. This pool was discovered by Cactus Drilling Company's Bolles Number 1 in Unit "H" of Section 20; completed in the San Andres formation on April 22nd, 1963. Top of the perforations was 4,554 feet; vertical limits would be the San Andres formation.

Now, I would recommend that the abolishments and extensions be as shown on the docket, with the exception of Paragraph "p", and in addition to the acreage that's shown for extensions on the docket, I would also recommend that lots 1 and 2 of Section 5, and the NE/4 of Section 9, Township 21 South, Range 36 East, be added.

Q Is that the Oil Center-Blinebry Pool?

A Oil Center-Blinebry Pool.

Q Paragraph "p" on the exhibit, is that correct?

A That's paragraph "p" of the exhibit and the docket.

Now, we come to the Red Lake Pool, which is Paragraph "q". We recognize that there is a problem in the Red Lake area, which the extensions that I'm going to recommend will not solve entirely. However, there are three wells that must be taken care of at this time, and made legal, probably by some other solution that can be worked out for this area in the future, but for the time being, I would recommend the vertical limits of the Red Lake Pool, which now comprise the Grayburg and San Andres formations, be extended to include the Queen formation in 340-acre tracts. That would be Unit "H" of Section 9, Unit "E" of Section 14, and Unit "E" of



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182SANTA FE, N. M.
PHONE 983-3971ALBUQUERQUE, N. M.
PHONE 243-6691

Section 15, all in Township 17 South, Range 28 East. There are wells on these 340-acre tracts which are completed in the Queen-Grayburg and San Andres formations. Now, we also would recommend that the horizontal limits of the pool be extended to include all of the NE/4 of Section 16, Township 17 South, Range 28 East, which is as shown on the docket, with the addition of another 80-acre tract. I believe that further study will be given to this area, and that we will probably have another recommendation in the future for it.

Now, I recommend that Paragraph "r", the extension of the Vacuum-Abo Reef Pool, be as shown on the docket; and also in Township 18 South, Range 34 East, that the NW/4 of the SW/4 of Section 12-18-34, be added, and that in Township 18 South, Range 35 East, the SE/4 of the NE/4 of Section 6 be added.

In all other respects, I recommend that the extensions to the pools be as shown on the docket, and as on the exhibit, and the docket is identical to the exhibits in these other paragraphs.

Q Thank you, Mr. Nutter. Do you have anything further you would like to add at this time?

A No, sir.

Q Was Exhibit Number 1 prepared by you, or under your direct supervision?

A Yes, it was.

MR. DURRETT: If the Commission please, I move the introduction of Exhibit 1 at this time, and that concludes my examination



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

of Mr. Nutter.

MR. PORTER: Without objection, the exhibit will be admitted.

Mr. Nutter, in regard to the paragraph on the Red Lake Pool, I believe you testified that you feel sure that it may be necessary to further modify this proposal--

A Yes, sir.

MR. PORTER: --at some later time?

A Yes, sir. It seems there are several solutions to the problem that exists there, but every solution I have come across so far creates some more problems, and we are still looking for a solution that doesn't create too big a problem.

MR. PORTER: And you intend to work with Mr. Stamets, the geologist in Eddy County, to determine whether or not this is the best solution, or whether some other solution would be better?

A Yes, sir.

MR. PORTER: Any other questions--

A But for the time being, I would just like to say these three wells are made legal that are in there, and we would order those three wells squeezed off in these, in the Queen formation, but that might not be the best solution either.

Q (By Mr. Durrett) That would result in considerable expense to the operators--

A And might mean a loss of hydrocarbons.

MR. PORTER: And might mean a loss of further recovery?



A Yes.

MR. PORTER: If there are no further questions -- anyone have anything to offer in this case, anything further before the Commission --

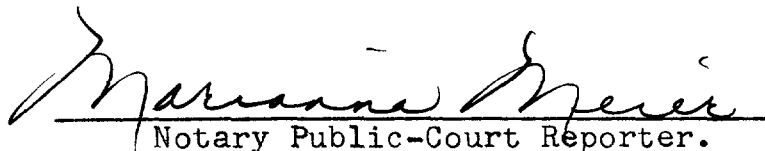
The case will be taken under advisement.

The hearing is adjourned.

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

I, MARIANNA MEIER, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF, I have affixed my hand and notarial seal this 11th day of July, 1963.


Notary Public-Court Reporter.

My Commission Expires:

April 8, 1964.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No.
Signed by me on 19

..... Examiner
New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691



*DEARNLEY-MEIER REPORTING SERVICE, Inc.*FARMINGTON, N. M.
PHONE 325-1182SANTA FE, N. M.
PHONE 983-3971ALBUQUERQUE, N. M.
PHONE 243-6691I N D E X

<u>WITNESS</u>	<u>PAGE</u>
DAN NUTTER	
Direct Examination by Mr. Durrett	2

E X H I B I T S

<u>NUMBER</u>	<u>MARKED FOR IDENTIFICATION</u>	<u>OFFERED</u>	<u>ADMITTED</u>
Exhibit "1"	3	6	7

