

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
CASE 9848, CASE 9849

EXAMINER HEARING

IN THE MATTER OF:

Hearing to Create and Extend Certain
Pools in Chaves and Lea Counties,
New Mexico.

Hearing to Create, Abolish and Extend
Certain Pools in Chaves and Eddy
Counties, New Mexico

TRANSCRIPT OF PROCEEDINGS

BEFORE: MICHAEL E. STOGNER, EXAMINER

STATE LAND OFFICE BUILDING

SANTA FE, NEW MEXICO

December 27, 1989

A P P E A R A N C E S

FOR THE DIVISION:

ROBERT G. STOVALL

Attorney at Law

Legal Counsel to the Division

State Land Office Building

Santa Fe, New Mexico

I N D E X

Page Number

Appearances

2

ROY JOHNSON

Examination by Mr. Stovall

5

Certificate of Reporter

7

E X H I B I T S

CASE No. 9848

Exhibit 1

5

CASE NO. 9849

Exhibit 1

6

1 HEARING EXAMINER: This hearing will come
2 to order. I'll call Case No. 9848, which is in the
3 matter of the hearing called by the Oil Conservation
4 Division on its own motion for an order creating and
5 extending certain pools in Chaves and Lea Counties,
6 New Mexico.

7 I'll call for appearances.

8 MR. STOVALL: Robert G. Stovall of Santa
9 Fe, New Mexico, on behalf of the Division. I don't
10 see any reason why we could not consolidate that with
11 Case 9849.

12 HEARING EXAMINER: Since there's nobody
13 else here to object, we'll call Case No. 9849, which
14 is in the matter of the hearing called by the Oil
15 Conservation Division on its own motion for an order
16 creating, abolishing and extending certain pools in
17 Chaves and Eddy Counties, New Mexico.

18 Mr. Stovall?

19 MR. STOVALL: I am also appearing in this
20 case, and I still have only one witness.

21 HEARING EXAMINER: Okay. Will that one
22 witness for both these cases please stand and be
23 sworn.
24
25

ROY JOHNSON

the witness herein, after having been first duly sworn upon his oath, was examined and testified as follows:

EXAMINATION

BY MR. STOVALL:

Q. Please state your name and place of residence.

A. My name is Roy Johnson and I live in Santa Fe.

Q. How are you employed, Mr. Johnson?

A. By the New Mexico Oil Conservation Division.

Q. Have you ever testified before the Division or any of its Examiners and had your qualifications accepted as a matter of record?

A. I have.

Q. Are you familiar with the applications in these consolidated cases?

A. I am.

Q. Have you prepared the nomenclatures for pools in Chaves, Lea and Eddy Counties, and are they in the form of an exhibit or exhibits for each case?

A. They are.

Q. How are those exhibits denominated?

A. For Case No. 9848, it would be Exhibit No.

1 1. And for Case No. 9849, it will be labeled Exhibit
2 No. 1, if somebody will give me a pencil.

3 Q. Have you compared the exhibits that have
4 been prepared in these cases with the advertisement
5 and notice which has been prepared, and are there any
6 differences between the two?

7 A. There are no differences between the two.

8 Q. Do you recommend that the nomenclature
9 application in this case be granted?

10 A. I do.

11 Q. Do you have anything further to add to your
12 testimony in these cases?

13 A. I do not.

14 MR. STOVALL: Move the admission of Exhibit
15 1 in each case, and I have nothing further to add.

16 HEARING EXAMINER: Exhibit 1 in each case
17 will be admitted into evidence. Mr. Johnson, you may
18 be excused.

19 If there's nothing further in either Case
20 9848 or Case 9849, these cases will be taken under
21 advisement, and the hearing is adjourned.

22

23

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CERTIFICATE OF REPORTER

STATE OF NEW MEXICO)
) ss.
 COUNTY OF SANTA FE)

I, Carla Diane Rodriguez Certified
 Shorthand Reporter and Notary Public, HEREBY CERTIFY
 that the foregoing transcript of proceedings before
 the Oil Conservation Division was reported by me; that
 I caused my notes to be transcribed under my personal
 supervision; and that the foregoing is a true and
 accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative
 or employee of any of the parties or attorneys
 involved in this matter and that I have no personal
 interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL January 9, 1990.

Carla Diane Rodriguez
 CARLA DIANE RODRIGUEZ
 CSR No. 91

My commission expires: May 25, 1991

I do hereby certify that the foregoing is
 a true and accurate transcript of the proceedings in
 the case or hearing of Case Nos. 98-80 and 9849
 heard by me on 27 December 1989.
Michael S. Thompson Examiner
 Oil Conservation Division

CASE NO. 9848

EXHIBIT I

COUNTY LEA POOL HAT MESA-DELAWARE

TOWNSHIP 21 South RANGE 32 East NMPM

A 36x6 grid with numbers 1-36. The numbers are arranged in a 6x6 grid pattern. The top row contains numbers 6, 5, 4, 3, 2, 1. The second row contains 7, 8, 9, 10, 11, 12. The third row contains 18, 17, 16, 15, 14, 13. The fourth row contains 19, 20, 21, 22, 23, 24. The fifth row contains 30, 29, 28, 27, 26, 25. The bottom row contains 31, 32, 33, 34, 35, 36. A red box is located in the top right corner, covering the area of the number 2.

PURPOSE: One completed oil well capable of producing.

Strata Production Company New Mexico A Federal Well No. 1 located in Unit F of Section 4, Township 21 South, Range 32 East, NMPM. It was completed September 18, 1989, in the Delaware formation. The top of the perforations is at 6,834 feet.

Proposed pool boundary outlined in red. Section 4: Lots 3, 4, 5 and 6

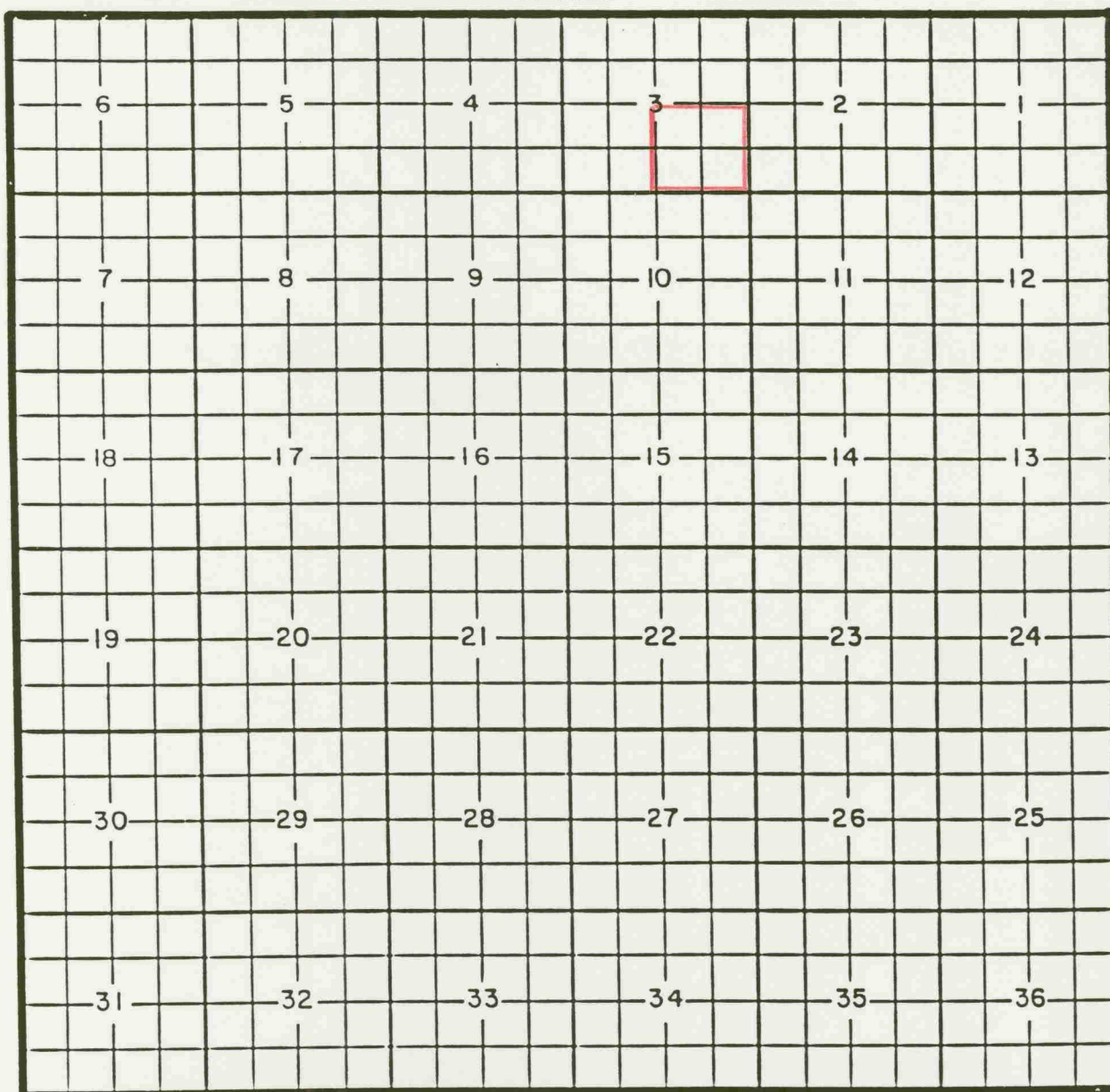
COUNTY LEA

POOL NORTHWEST JENKINS-SAN ANDRES

TOWNSHIP 9 South

RANGE 34 East

NMPM



PURPOSE: One completed oil well capable of producing.

Kerr-McGee Corporation McMillen Well No. 1 located in Unit 0 of Section 3,

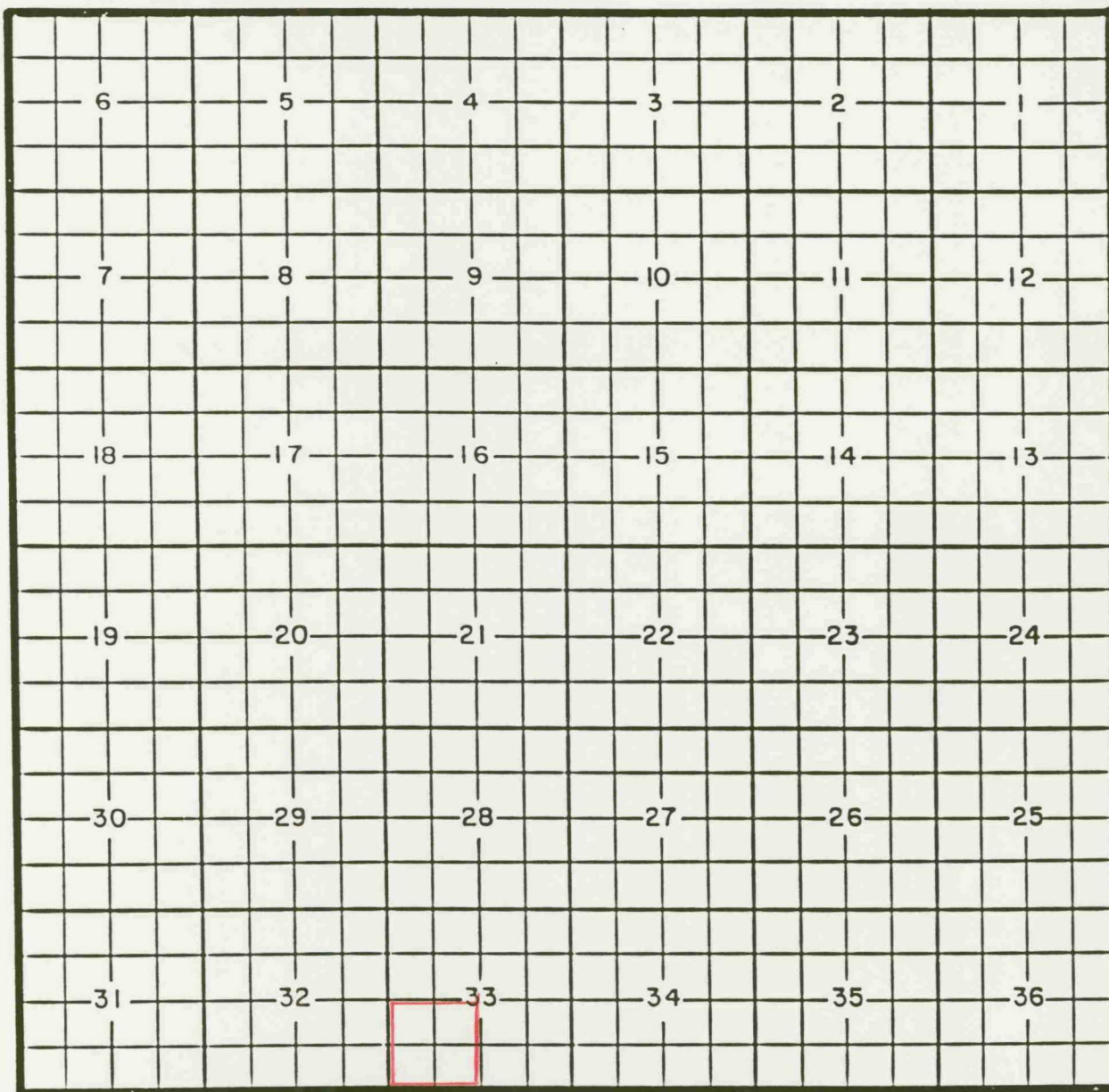
Township 9 South, Range 34 East, NMPM. It was completed October 31, 1989, in the San Andres formation. The top of the perforations is at 4,606 feet.

Proposed pool boundary outlined in red. Section 3: SE/4

COUNTY LEA POOL SOUTH QUAIL RIDGE-BONE SPRING

TOWNSHIP 19 South RANGE 34 East NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36



PURPOSE: One completed oil well capable of producing.

Pennzoil Exploration & Production Company Lea Chaparral Federal Com Well No. 1 located in Unit K of Section 33, Township 19 South, Range 34 East, NMPM. It was completed August 22, 1989, in the Bone Spring formation. The top of the perforations is at 10,153 feet.

Proposed pool boundary outlined in red. Section 33: SW/4

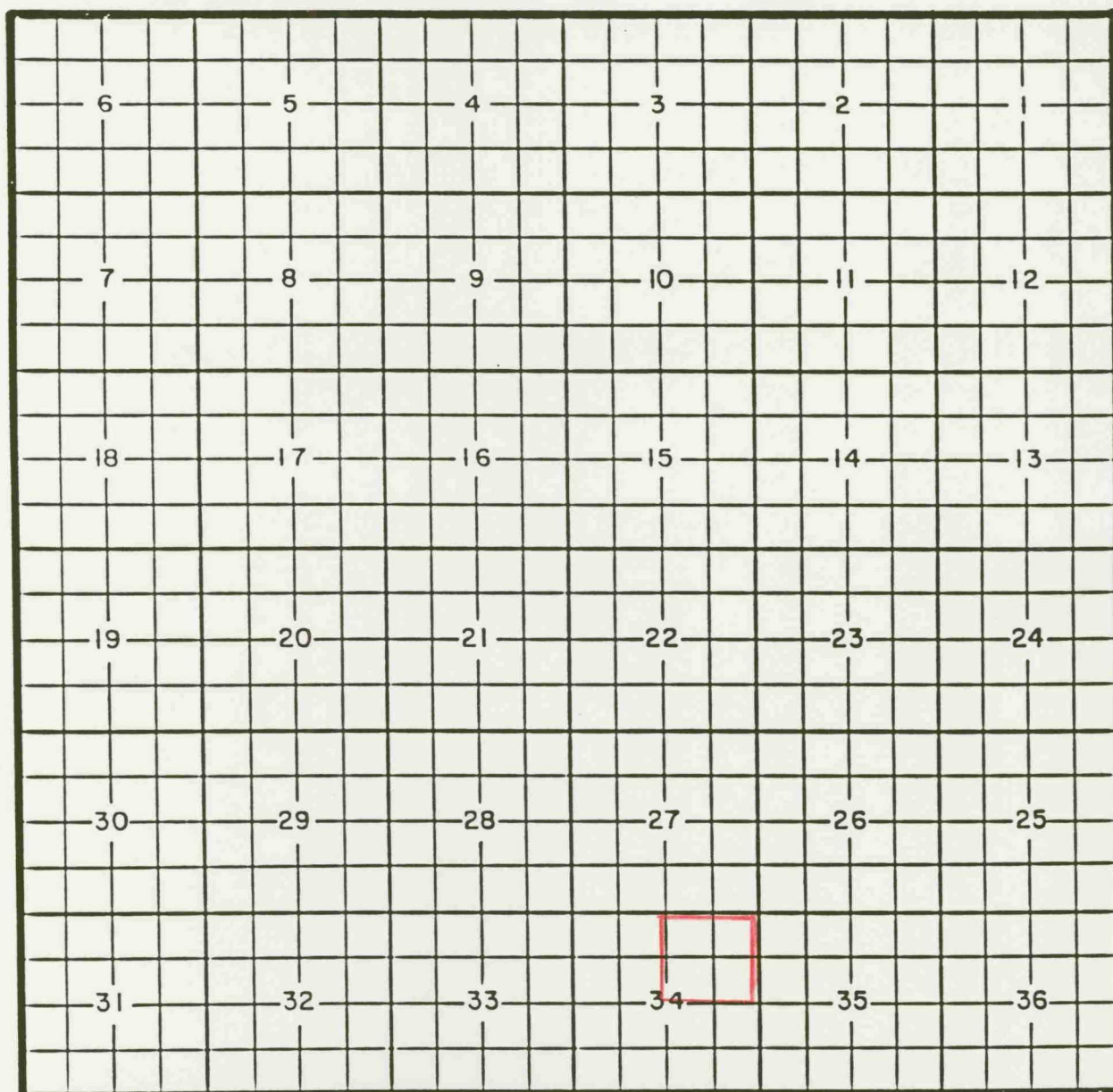
COUNTY LEA

POOL SOUTH TEAGUE-ABO

TOWNSHIP 23 South

RANGE 37 East

NMPM



PURPOSE: Two completed oil wells capable of producing.

Arch Petroleum Inc. E. C. Hill D Federal Well No. 1 located in Unit H of Section 34, Township 23 South, Range 37 East, NMPM. It was completed August 21, 1989, in the Abo formation. The top of the perforations is at 6,638 feet.

Arch Petroleum Inc. E. C. Hill B Federal Well No. 5 located in Unit B of Section 34, Township 23 South, Range 37 East, NMPM. It was completed September 26, 1989, in the Abo formation. The top of the perforations is at 6,617 feet.

Proposed Pool boundary outlined in red. Section 34 NE/4

COUNTY LEA

POOL

SOUTH TONTO-BONE SPRING

TOWNSHIP

19 South

RANGE

33 East

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: One completed oil well capable of producing.

Harvey E. Yates Company Federal "19" Well No. 1 located in Unit N of Section 19, Township 19 South, Range 33 East, NMPM. It was completed November 14, 1989, in the Bone Spring formation. The top of the perforations is at 9,785 feet.

Proposed pool boundary outlined in red. Section 19: SW/4

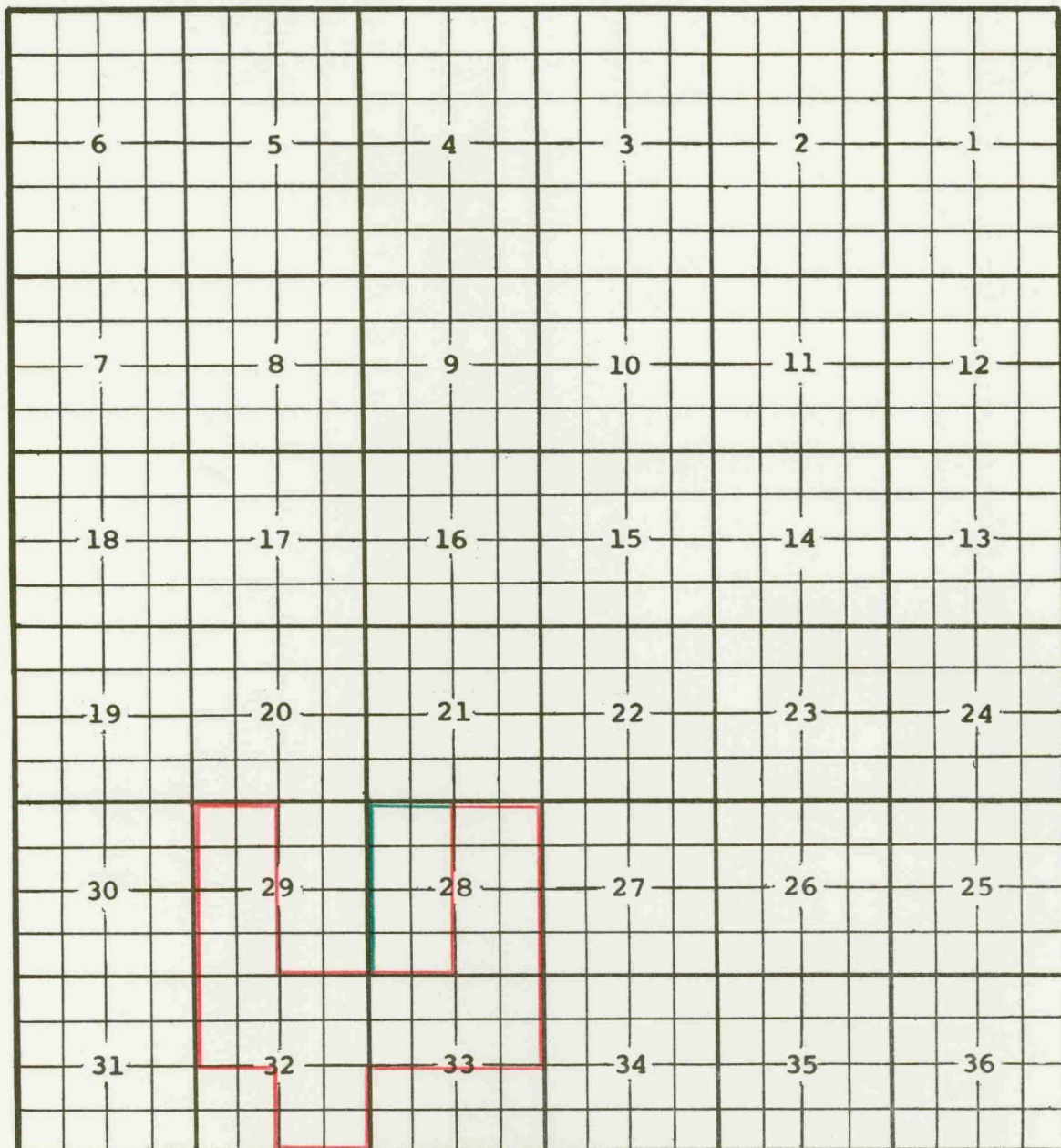
COUNTY LEA

POOL BILBREY-MORROW GAS

TOWNSHIP 21 South

RANGE 32 East

NMPM



PURPOSE: One completed gas well capable of producing.

Santa Fe Energy Operating Partners L.P. Bilbrey 28 Federal Well No. 1

located in Unit H of Section 28, Township 21 South, Range 32 East, NMPM.

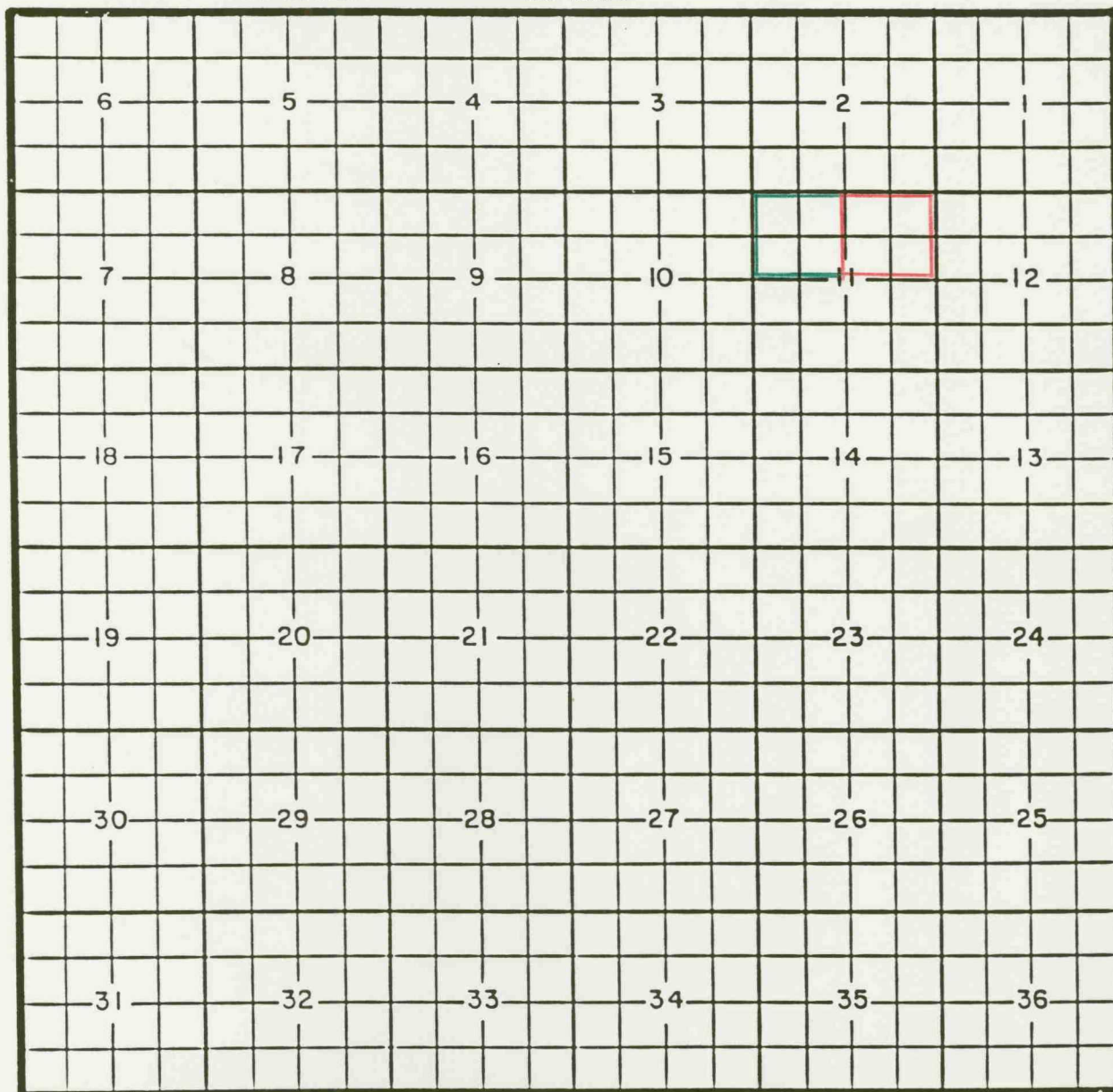
It was completed March 20, 1989, in the Morrow formation. The top of the perforations is at 14,629 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 28: W/2

COUNTY LEA POOL EAST BISHOP CANYON-SAN ANDRES

TOWNSHIP 18 South RANGE 38 East NMPM



PURPOSE: One completed oil well capable of producing.

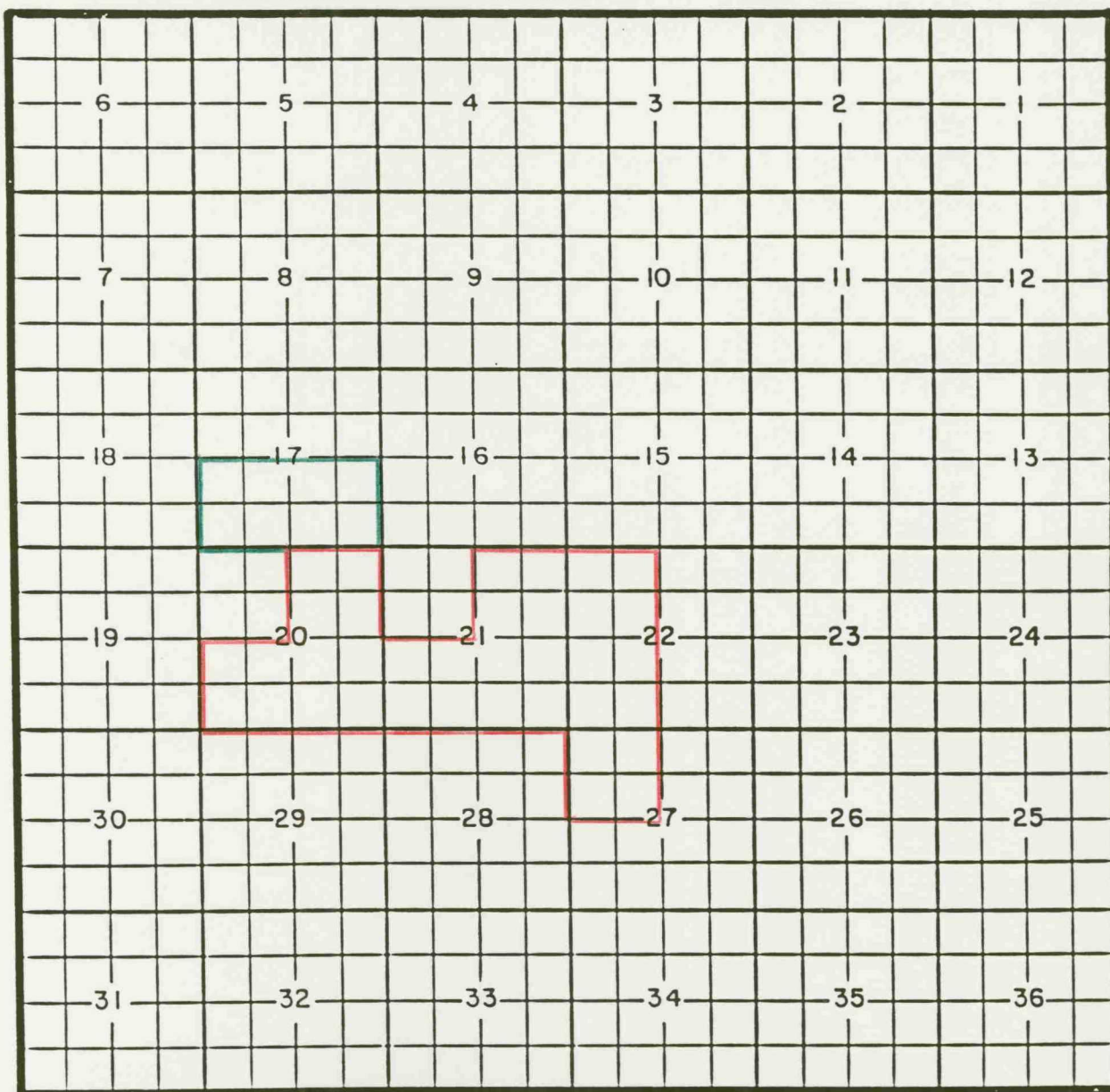
Beach Exploration Inc. Bear Well No. 1 located in Unit F of Section 11,
Township 18 South, Range 38 East, NMPM. It was completed November 4, 1989,
in the San Andres formation. The top of the perforations is at 4,889 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 11: NW/4

COUNTY LEA POOL SOUTH CORBIN-BONE SPRING

TOWNSHIP 18 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

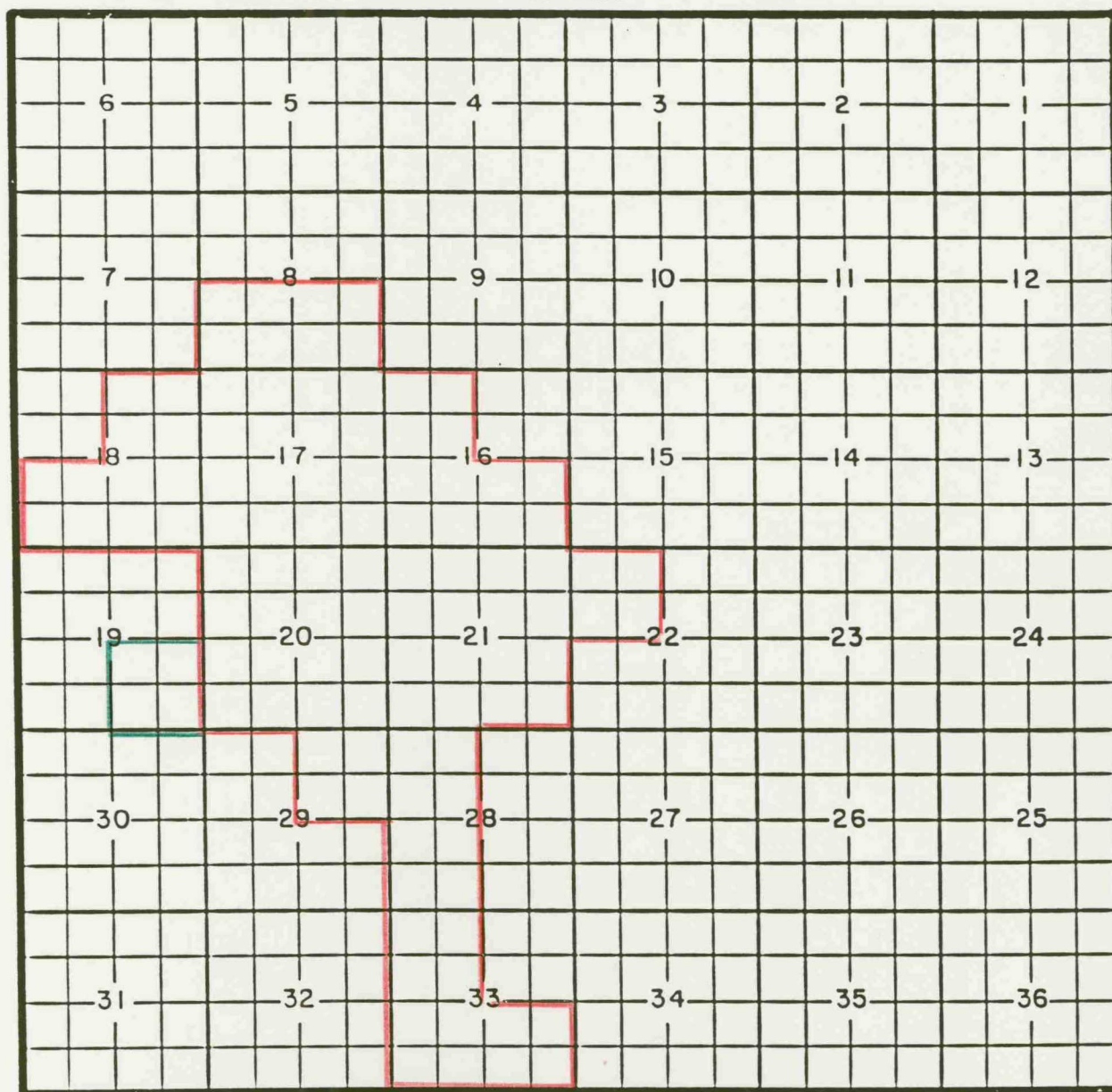
Southland Royalty Company Huber 17 Federal Well No. 1 located in Unit M of Section 17, Township 18 South, Range 33 East, NMPM. It was completed November 17, 1989, in the Bone Spring formation. The top of the perforations is at 8,504 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 17: S/2

COUNTY LEA POOL SOUTH CORBIN-WOLFCAMP

TOWNSHIP 18 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

Robert N. Enfield Hudson Federal Well No. 3 located in Unit 0 of Section 19,
Township 18 South, Range 33 East, NMPM. It was completed October 19, 1989, in
the Wolfcamp formation. The top of the perforations is at 11,016 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 19: SE/4

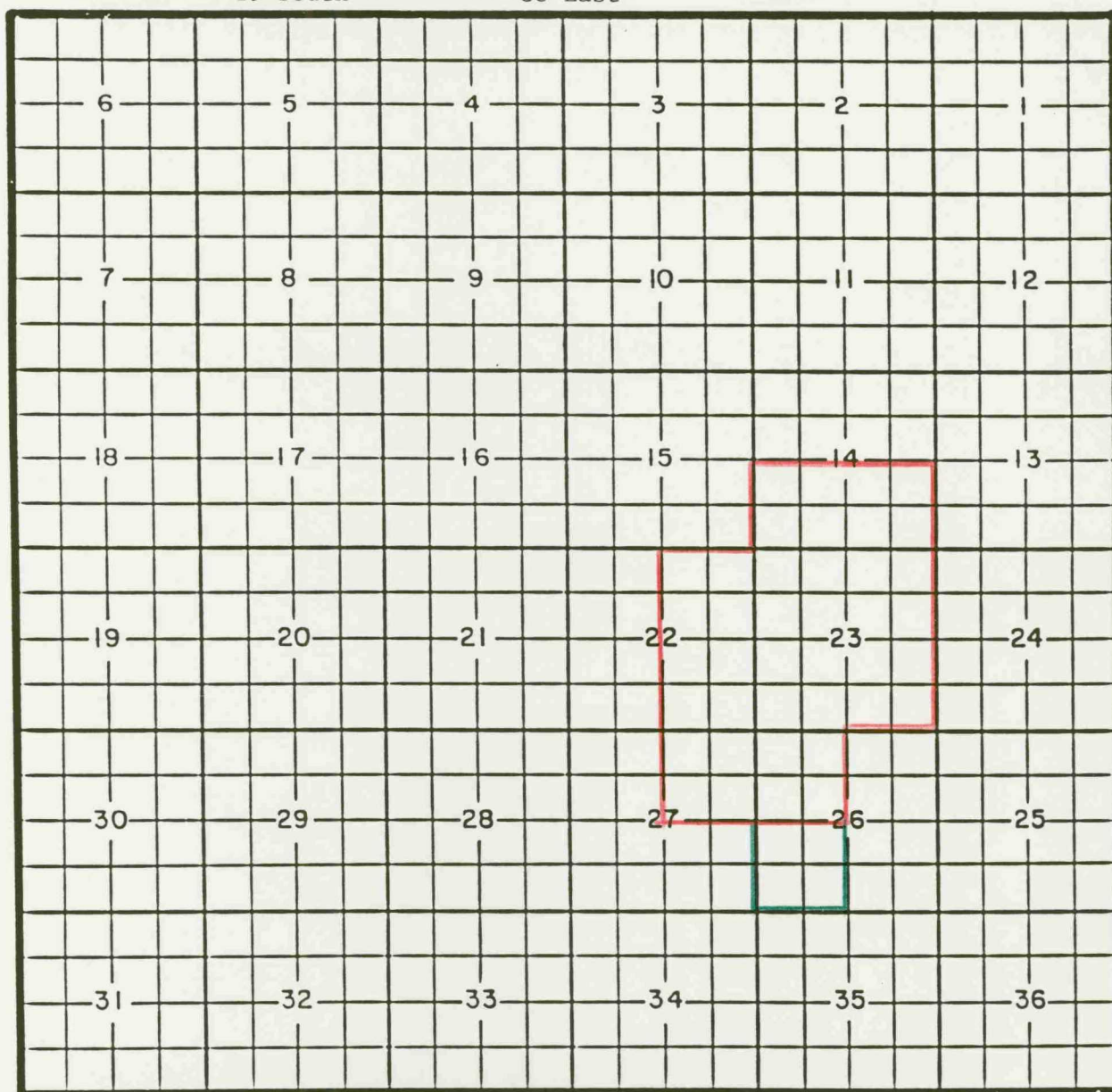
COUNTY LEA

POOL NADINE-DRINKARD-ABO

TOWNSHIP 19 South

RANGE 38 East

NMPM



PURPOSE: One completed oil well capable of producing.

LBO New Mexico Inc. Lia Well No. 1 located in Unit L of Section 26, Township 19 South, Range 38 East, NMPM. It was completed November 25, 1989, in the Abo formation. The top of the perforations is at 7,210 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 26: SW/4

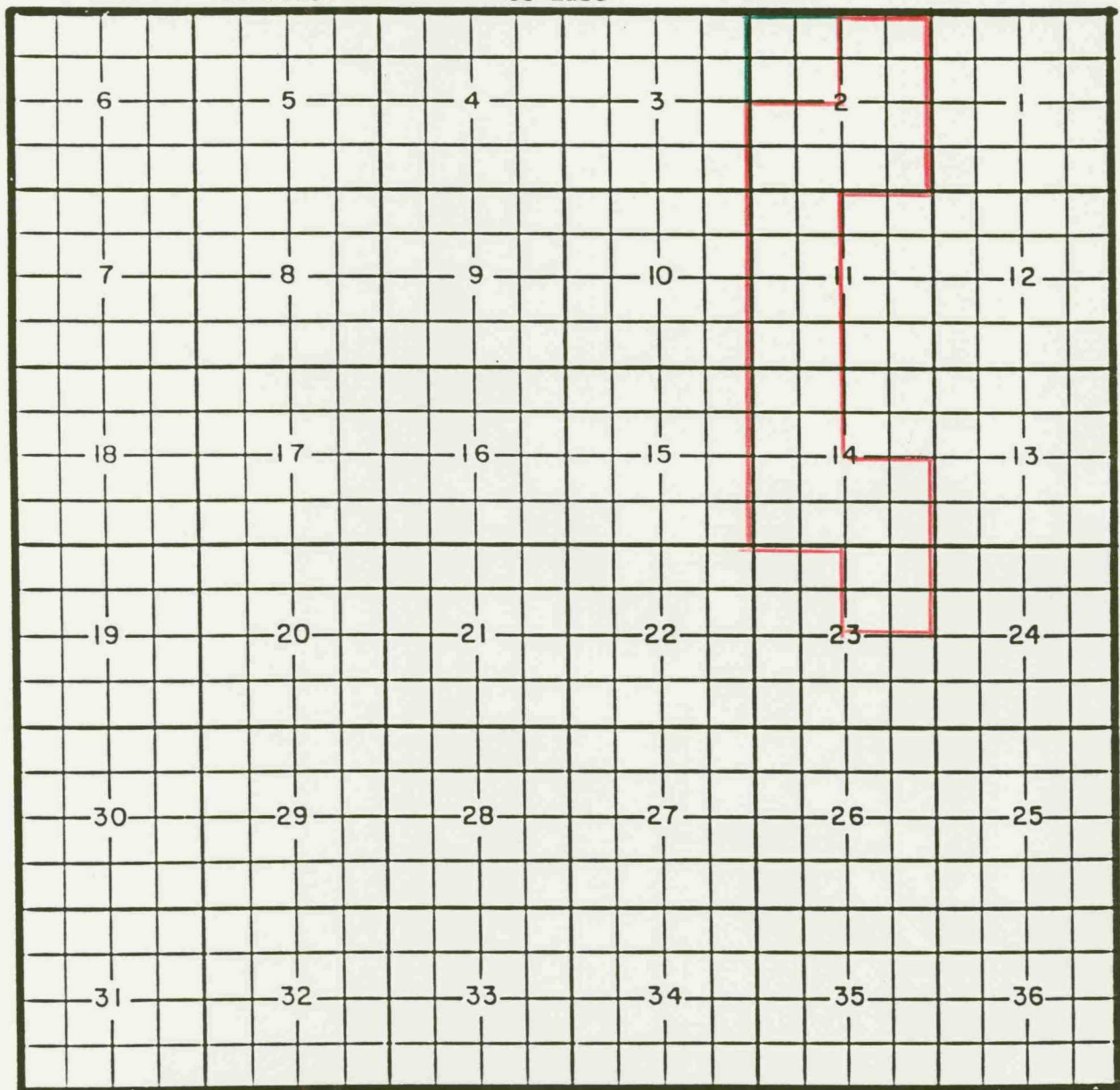
COUNTY LEA

POOL TEAS-BONE SPRING

TOWNSHIP 20 South

RANGE 33 East

NMPM



PURPOSE: One completed oil well capable of producing.

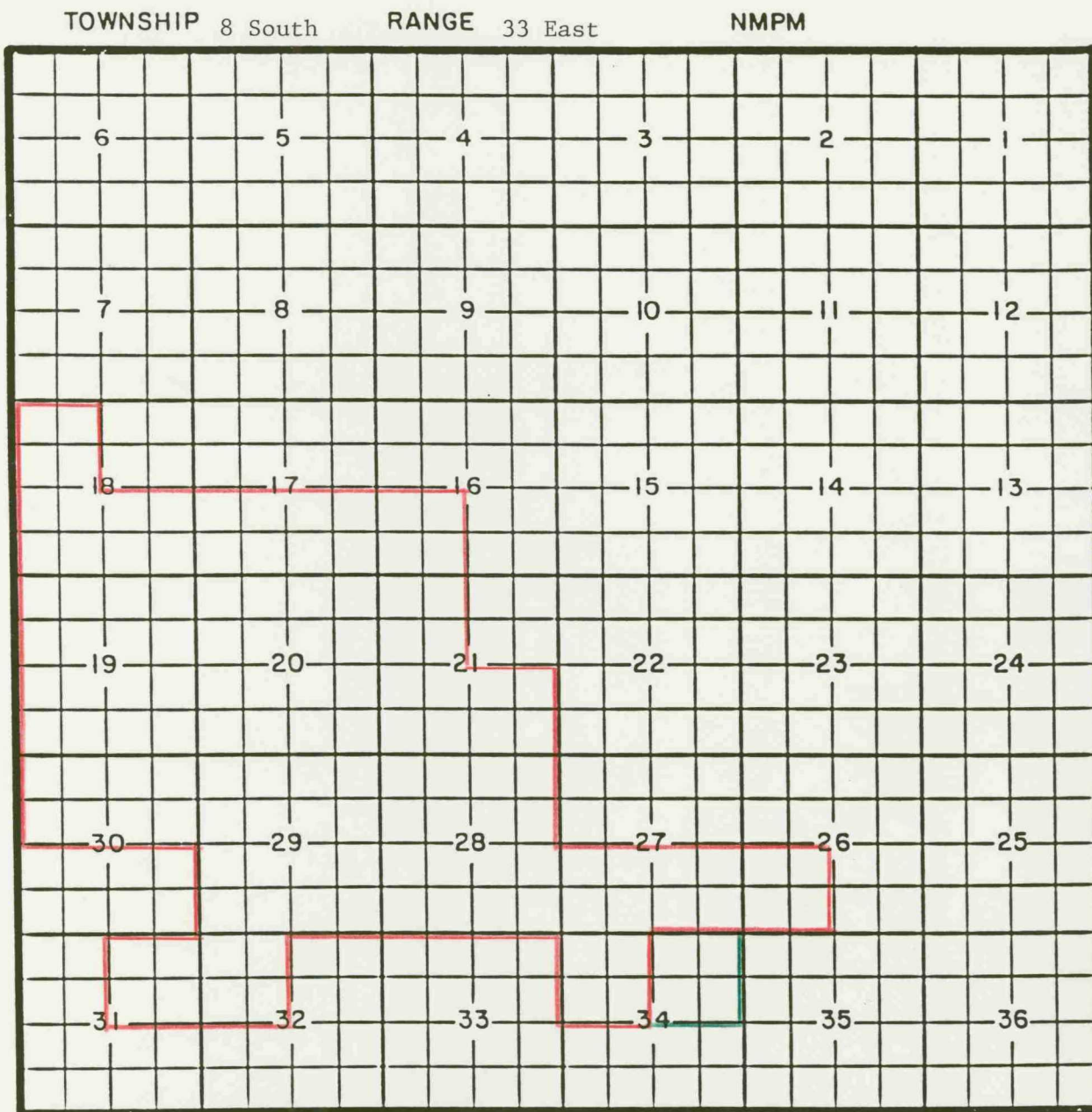
BTA Oil Producers Gem 8705 JV-P Well No. 2 located in Unit C of Section 2,
Township 20 South, Range 33 East, NMPM. It was completed November 4, 1989,
in the Bone Spring formation. The top of the perforations is at 9,288 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 2: NW/4

COUNTY CHAVES

POOL TOBAC-PENNSYLVANIAN



PURPOSE: One completed oil well capable of producing.

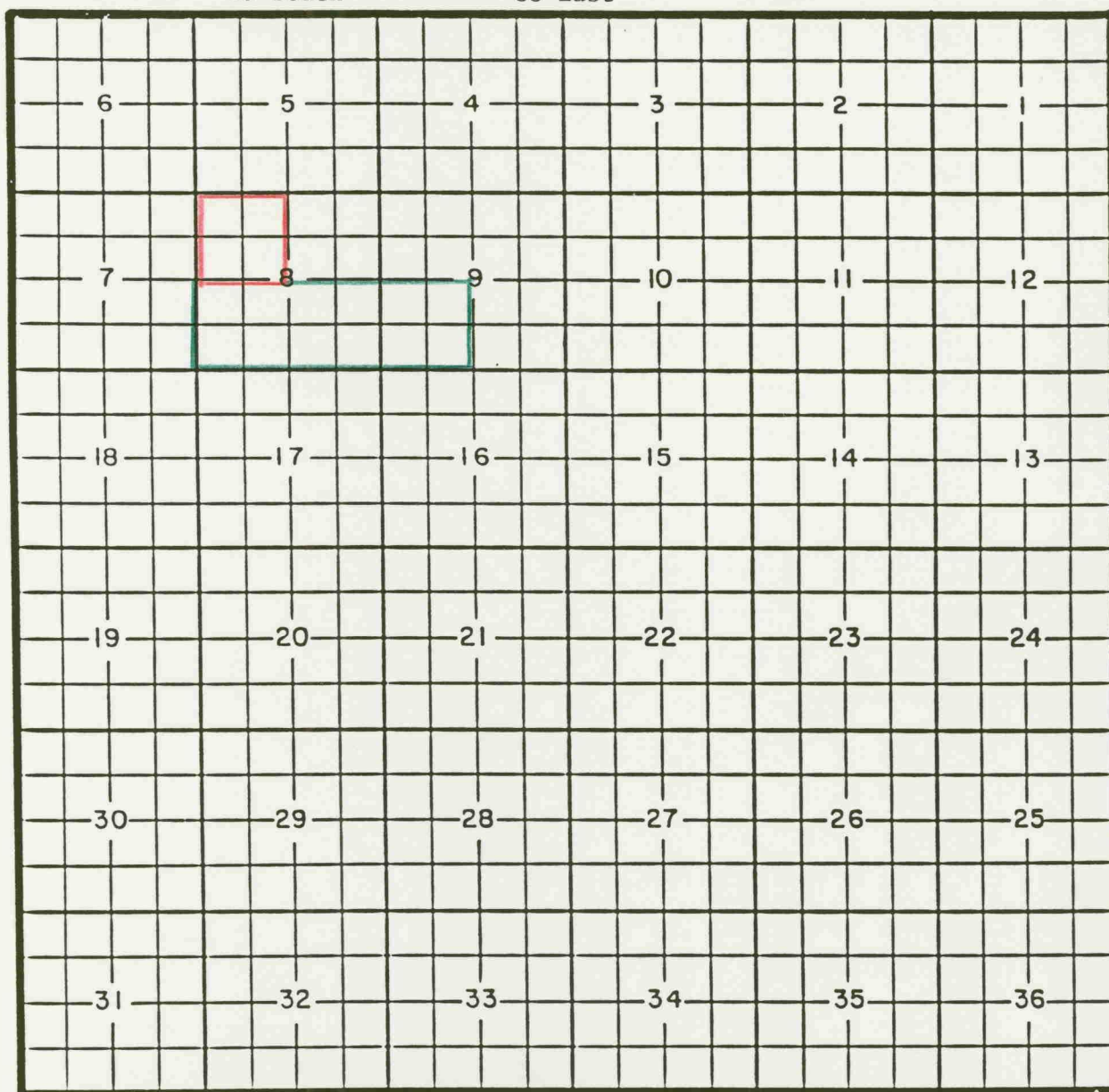
Yates Petroleum Corporation Flying WV Well No. 1 located in Unit A of Section 34, Township 8 South, Range 33 East, NMPM. It was completed September 23, 1989, in the Pennsylvanian formation. The top of the perforations is at 9,309 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 34: NE/4

COUNTY LEA POOL TONTO-BONE SPRING

TOWNSHIP 19 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.
 Chevron USA Inc. Langley A Fed. Well No. 1 located in Unit K of Section 9,
 Township 19 South, Range 33 East, NMPM. It was completed October 18, 1989,
 in the Bone Spring formation. The top of the perforations is at 10,318 feet.

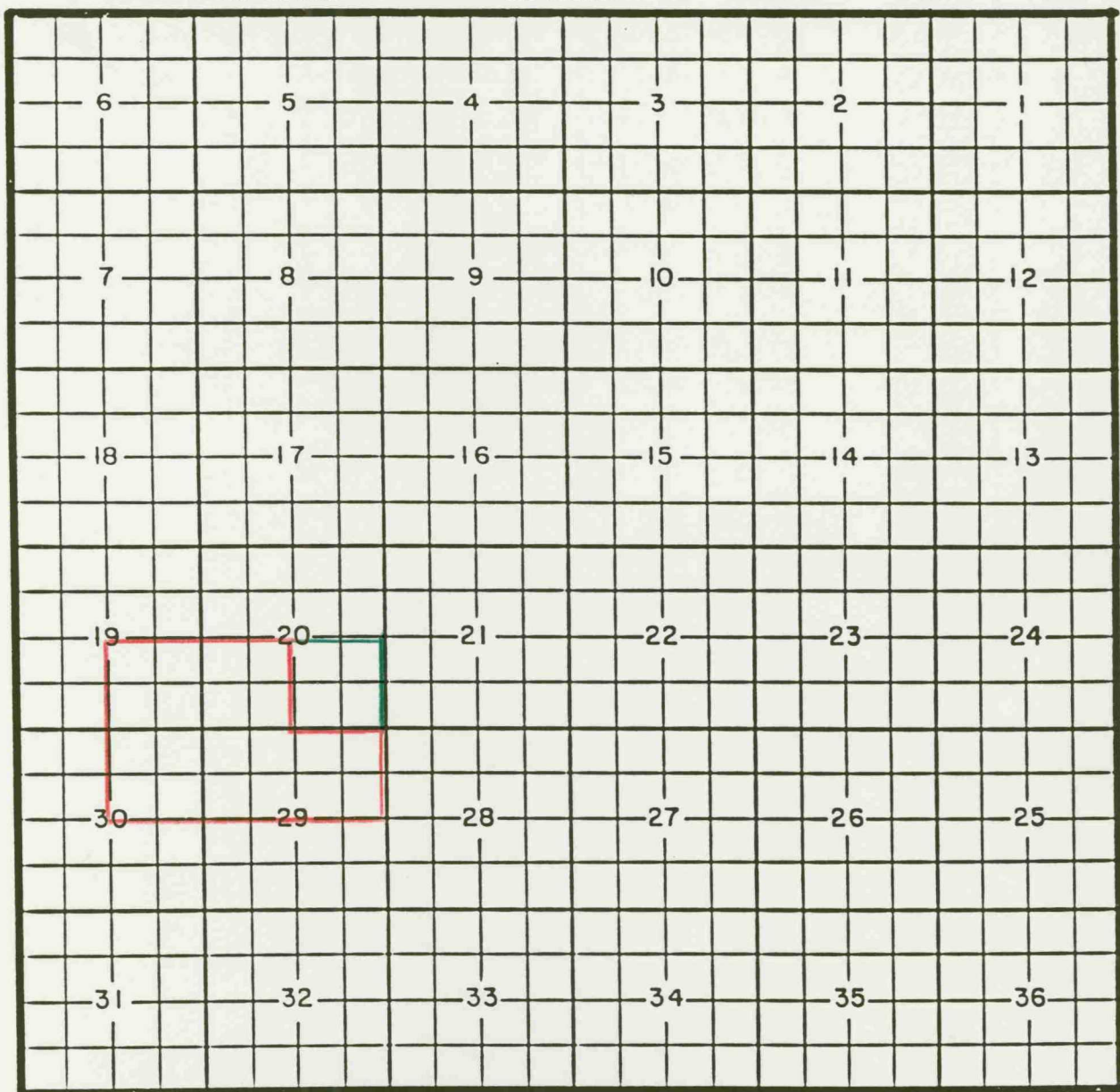
Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 8: S/2

Section 9: SW/4

COUNTY LEA POOL WILLIAMS-PENNSYLVANIAN

TOWNSHIP 13 South RANGE 32 East NMPM



PURPOSE: One completed oil well capable of producing.

Yates Petroleum Corporation Drover State Unit Well No. 1 located in Unit P of Section 20. Township 13 South, Range 32 East, NMPM. It was completed September 25, 1989, in the Pennsylvanian formation. The top of the perforations is at 11,087 feet.

Pool boundary outlined in red.

Proposed pool boundary outlined in green. Section 20: SE/4