

CASE NO.

7672

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
15 September 1982

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conservation Division on its own motion for an order creating, assigning discovery allowable, contracting, and extending certain pools in Chaves, Eddy, Lea and Roosevelt Counties, New Mexico.

CASE
7672

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

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I N D E X

ROY JOHNSON

Direct Examination by Mr. Pearce

E X H I B I T S

Division Exhibit, Document

1
2 MR. STAMETS: Call next Case 7662, 72,
3 being 7672, in the matter of the hearing called by the Oil
4 Conservation Division on its own motion for an order creating,
5 assigning discovery allowable, contracting and extending
6 certain pools in Chaves, Lea, Eddy, -- or Chaves, Eddy, Lea,
7 and Roosevelt Counties, New Mexico.

8 Call for appearances.

9 MR. PEARCE: May it please the Examiner,
10 I am W. Perry Pearce, appearing in this matter on behalf of
11 New Mexico Oil Conservation Division.

12 I have one witness who needs to be sworn.

13
14 (Witness sworn.)

15
16 ROY JOHNSON

17 being called as a witness and being duly sworn upon his oath,
18 testified as follows, to-wit:

19
20 DIRECT EXAMINATION

21 BY MR. PEARCE:

22 Q For the record, sir, would you state
23 your name and position and employer?

24 Roy Johnson. I'm a geologist with the Oil Conser-
25 vation Division.

1
2 Q Mr. Johnson, are you prepared to make
3 recommendations to the Division and Commission at this time
4 concerning nomenclature of certain pools in Chaves, Eddy, Lea,
5 and Roosevelt Counties, New Mexico?

6 A I am.

7 Q And have you caused those recommendations
8 to be prepared in the form of an exhibit?

9 A I have.

10 Q At this time, Mr. Johnson, would you
11 please refer to the exhibit and to the docket which is pre-
12 pared for this case and point out any substantial differences
13 between those two documents.

14 A We have two substantial differences, the
15 first being paragraph (a). The Division would like to have
16 this dismissed until the second hearing in October.

17 And in paragraph (dd), the extension of
18 the Race Track San Andres Pool should read Section 18, North-
19 east quarter and north half of the southeast quarter, on both
20 the docket and the exhibit.

21 Q And those are the only two amendments
22 for these two documents?

23 A It is.

24 Q Do you have anything further to add to
25 your testimony at this time?

A. No.

MR. PEARCE: Mr. Examiner, I would move the admission of the exhibit in this proceeding.

MR. STAMETS: The exhibit will be admitted.

MR. PEARCE: I have nothing further at this time.

MR. STAMETS: Are there any questions of this witness? He may be excused.

Anything further in this case?

The case will be taken under advisement. If there is nothing further, the hearing is adjourned.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7672 heard by me on 9-18 1982

Richard L. Stamm, Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.
Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
1 September 1982

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conservation Division on its own motion for an order creating, assigning discovery allowable, contracting, and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico.

CASE
7672

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal-Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

1
2 MR. STAMETS: Call next Case 7672, in the
3 matter of the hearing called by the Oil Conservation Division
4 on its own motion for an order creating, assigning discovery
5 allowable, contracting, and extending certain pools in
6 Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico.

7 MR. PEARCE: Mr. Examiner, I am W. Perry
8 Pearce, appearing in this matter on behalf of the New Mexico
9 Oil Conservation Division.

10 Due to an advertising error, we request
11 that this matter be continued to the September 15th Hearing.

12 MR. STAMETS: The case will be so contin-
13 ued.

14
15 (Hearing concluded.)
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7672 heard by me on 9-6 1982
Richard L. Starn, Examiner
 Oil Conservation Division

SALL. BOYD, C.S.R.

Box 193-B

Santa Fe, New Mexico 87501

Phone (505) 455-7409

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7672
Order No. R-7076

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN ORDER
CREATING, ASSIGNING A DISCOVERY ALLOWABLE,
CONTRACTING, AND EXTENDING CERTAIN POOLS
IN CHAVES, EDDY, LEA, AND ROOSEVELT
COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 15, 1982, at Santa Fe, New Mexico, before Examiner ~~Bauha~~SL.Nutter. Stamets.

NOW, on this 27th day of September, 1982, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That there is need that the proposed creation of a new oil pool with a discovery allowable in Eddy County, New Mexico, to be designated as the Brushy Draw-Brushy Canyon Pool, be dismissed.

(3) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of Hobbs Channel-San Andres Pool. Said Hobbs Channel-San Andres Pool was discovered by the Bass Enterprises Production Company Humble City Unit Well No. 1 located in Unit D of Section 36, Township 17 South, Range 37 East, NMPM. It was completed in the San Andres formation on June 22, 1982. The top of the perforations is at 7,049 feet.

(4) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Humphreys Mill-Morrow Gas Pool. Said Humphreys Mill-Morrow Gas Pool was discovered by the Florida Exploration Company Reno Com Well No. 1 located in Unit D of Section 11, Township 25 South, Range 35 East, NMPM. It was completed in the Morrow formation on May 9, 1982. The top of the perforations is at 15,260 feet.

(5) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Abo formation, said pool to bear the designation of Justis-Abo Pool. Said Justis-Abo Pool was discovered by the Santa Fe Energy Company Carlson B-25 Fed Well No. 3 located in Unit O of Section 25, Township 25 South, Range 37 East, NMPM. It was completed in the Abo formation on April 21, 1982. The top of the perforations is at 6,182 feet.

(6) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Upper Pennsylvanian formation, said pool to bear the designation of McMillan-Upper Pennsylvanian Gas Pool. Said McMillan-Upper Pennsylvanian Gas Pool was discovered by the Southland Royalty Company Pecos River Federal 30 Com Well No. 1 located in Unit J of Section 20, Township 19 South, Range 27 East, NMPM. It was completed in the Upper Pennsylvanian formation on May 24, 1980. The top of the perforations is at 8,186 feet.

(7) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of Mosley Canyon-Strawn Gas Pool. Said Mosley Canyon-Strawn Gas Pool was discovered by the W. A. Moncrief, Jr. Jurnegan State Well No. 1 located in Unit C of Section 8, Township 24 South, Range 25 East, NMPM. It was completed in the Strawn formation on February 15, 1982. The top of the perforations is at 9,684 feet.

(8) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Tubb formation, said pool to bear the designation of West Nadine-Tubb Pool. Said West Nadine-Tubb Pool was discovered by the Tamarack Petroleum Company, Inc. Kornegay A Well No. 1 located in Unit F of Section 9, Township 20 South, Range 38 East, NMPM. It was completed in the Tubb formation on March 24, 1982. The top of the perforations is at 6,460 feet.

(9) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Pitchfork Ranch-Morrow Gas Pool. Said Pitchfork Ranch-Morrow Gas Pool was discovered by the HNG Oil Company Madera 32 State Com Well No. 1 located in Unit C of Section 32, Township 24 South, Range 34 East, NMPM. It was completed in the Morrow formation on April 7, 1982. The top of the perforations is at 14,723 feet.

(10) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Yeso formation, said pool to bear the designation of Seven Rivers-Yeso Pool. Said Seven Rivers-Yeso Pool was discovered by the Chama Petroleum Corporation Irami Fed. Well No. 1 located in Unit N of Section 34, Township 19 South, Range 25 East, NMPM. It was completed in the Yeso formation on April 24, 1982. The top of the perforations is at 2,408 feet.

(11) That there is need that the proposed creation of a new oil pool in Lea County, New Mexico, to be designated as the East Skaggs-Abo Pool be dismissed. The revised gas-oil ratio of the discovery well, the Texaco Inc. C. H. Weir A Well No. 12 located in Unit G of Section 12, Township 20 South, Range 37 East, NMPM, indicates the well should be reclassified to a gas well.

(12) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Tubb formation, said pool to bear the designation of Teague-Tubb Pool. Said Teague-Tubb Pool was discovered by the Alpha Twenty-One Production Company Lea Well No. 2 located in Unit A of Section 17, Township 23 South, Range 37 East, NMPM. It was completed in the Tubb formation on March 17, 1982. The top of the perforations is at 6,138 feet.

(13) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Devonian formation, said pool to bear the designation of Townsend-Devonian Pool. Said Townsend-Devonian Pool was discovered by the Kimbark Oil and Gas Company New Mexico 1-4 State Com Well No. 1 located in Unit N of Section 4, Township 16 South, Range 35 East, NMPM. It was completed in the Devonian formation on April 19, 1982. The top of the perforations is at 13,100 feet.

(14) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the

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Bone Spring formation, said pool to bear the designation of Welch-Bone Spring Pool. Said Welch-Bone Spring Pool was discovered by the Ouanah Petroleum, Inc. Hay B Federal Com Well No. 1 located in Unit K of Section 9, Township 26 South, Range 27 East, NMPM. It was completed in the Bone Spring formation on March 31, 1982. The top of the perforations is at 6,100 feet.

(15) That there is need for the contraction of the horizontal limits of the Buckeye-Abo Pool in Lea County, New Mexico, in order to correct an overlap with the Vacuum-Abo Reef Pool.

(16) That there is need for the contraction of the horizontal limits of the Vacuum-Abo Reef Pool in Lea County, New Mexico, in order to correct an overlap with the Buckeye-Abo Pool.

(17) That there is need for certain extensions to the Race Track-San Andres Pool in Chaves County, New Mexico, and the Antelope Sink-Upper Pennsylvanian Gas Pool, the Atoka-Yeso Pool, the Bunker Hill-Penrose Pool, the Cemetery-Morrow Gas Pool, the South Empire-Morrow Gas Pool, the South Empire-Wolfcamp Pool, the Forty Niner Ridge-Bone Spring Pool, the Ross Draw-Wolfcamp Gas Pool, and the Sand Dunes-Atoka Gas Pool, all in Eddy County, New Mexico, and the West Arkansas Junction-San Andres Pool, the Bilbrey-Morrow Gas Pool, the Comanche Stateline Tansill-Yates-Seven Rivers-Queen Pool, the Hardy-Tubb Pool, the Northeast Lovington-Pennsylvanian Pool, and the Saunders Permian-Upper Pennsylvanian Pool, all in Lea County, New Mexico, and the West Milnesand-Pennsylvanian Pool and the South Peterson-Pennsylvanian Associated Pool, both in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That the proposed creation of a new pool in Eddy County, New Mexico, classified as an oil pool for Brushy Canyon production with a discovery allowable of 25,410 barrels and designated as the Brushy Draw-Brushy Canyon Pool, consisting of the following described area:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 25: SW/4

is hereby dismissed.

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

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 36: NW/4

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

TOWNSHIP 25 SOUTH, RANGE 35 EAST, NMPM
Section 11: N/2

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

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 25: SE/4

(e) That a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production is hereby and designated as the McMillan-Upper Pennsylvanian Gas Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 20: E/2

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

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM
Section 8: N/2

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 9: NW/4

(h) That a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production is hereby created and designated as the Pitchfork Ranch-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 32: N/2

(i) That a new pool in Eddy County, New Mexico, classified as an oil pool for Yeso production is hereby created and designated as the Seven Rivers-Yeso Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 34: SW/4

(j) That the proposed creation of a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the East Skaggs-Abo Pool consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 12: NE/4

is hereby dismissed.

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

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 17: NE/4

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

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: Lots 11, 12, 13, and 14

(m) That a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production is hereby created and designated as the Welch-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM
Section 9: SW/4

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(n) That the Buckeye-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: W/2 NW/4

(o) That the Vacuum-Abo Reef Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: E/2 NW/4

(p) That the Antelope Sink-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM
Section 13: N/2
Section 14: N/2

(q) That the West Arkansas Junction-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 20: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 26: E/2

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

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 5: NW/4
Section 6: E/2

(t) That the Bunker Hill-Penrose Pool in Eddy County, New Mexico, as heretofore classified, defined, and described,

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is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 E. 3T, NMPM
Section 14: N/2 S/2 and NE/4

(u) That the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 3: S/2
Section 4: All

(v) That the Comanche Stateline Tansill-Yates-Seven Rivers-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 26: NW/4
Section 27: NE/4 and E/2 NW/4

(w) That the South Empire-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 35: S/2
Section 36: W/2

(x) That the South Empire-Wolfcamp Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 36: E/2 NE/4

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 31: NW/4 and S/2 NE/4

(y) That the Forty Niner Ridge-Bone Spring Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 16: SE/4

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Order No. R-7076

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

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 2: Lots 11, 12, 13, 14, and
S/2
Section 11: NW/4

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

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 20: NW/4

(bb) That the West Milnesand-Pennsylvanian Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM
Section 19: W/2

(cc) That the South Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM
Section 30: SE/4
Section 31: N/2 NE/4

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM
Section 15: S/2

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

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM
Section 18: NE/4 and N/2 SE/4

(ee) That the Ross Draw-Wolfcamp Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM
Section 23: S/2
Section 26: N/2

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(ff) That the West Sand Dunes-Atoka Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 17: S/2
Section 20: All

(gg) That the Saunders Permo-Upper Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

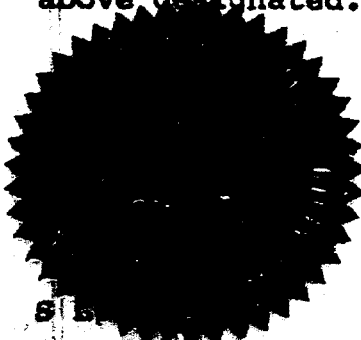
TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 21: NE/4

IT IS FURTHER ORDERED:

(1) That pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well which by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Division. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of the allowable.

(2) That the effective date of this order and all creations, contractions, and extensions included herein shall be October 1, 1982.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

NEW POOLS

It is recommended that a new OIL pool be created and designated as the BRUSHY DRAW-BRUSHY CANYON Pool.

Vertical limits to be the BRUSHY CANYON formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (a) Exhibit 1

Discovery well was J.C. Williamson UCBHW #1
located in Unit M Section 25 Township 26 Range 29 and was completed on June 23, 1982. Top of perforations is at 5082 feet.

It is recommended that a new OIL pool be created and designated as the HOBBS CHANNEL-SAN ANDRES Pool.

Vertical limits to be the SAN ANDRES formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (b) Exhibit I

Discovery well was Bass Enterpriess Prod. Co. Humble City Unit #1
located in Unit D Section 36 Township 17 Range 37 and was completed on June 22, 1982. Top of perforations is at 7049 feet.

It is recommended that a new GAS pool be created and designated as the HUMPHREYS MILL-MORROW GAS Pool.

Vertical limits to be the MORROW formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (c) Exhibit I

Discovery well was Florida Exploration Co. Reno Com Well #1
located in Unit D Section 11 Township 25 Range 35 and was completed on May 9, 1982. Top of perforations is at 15,260 feet.

NEW POOLS

It is recommended that a new OIL pool be created and designated as the JUSTIS ABO Pool.

Vertical limits to be the ABO formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (d) Exhibit I

Discovery well was SANTA FE ENERGY CO. CARLSON B-25 Fed #3 located in Unit 0 Section 25 Township 25 Range 37 and was completed on April 21, 1982. Top of perforations is at 6182 feet.

It is recommended that a new GAS pool be created and designated as the McMILLAN UPPEN PENN GAS Pool.

Vertical limits to be the UPPER PENNSYLVANIAN formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (e) Exhibit I

Discovery well was Southland Royalty Co. Pecos River Fed 30 Com #1 located in Unit J Section 20 Township 19 Range 27 and was completed on May 24, 1980. Top of perforations is at 8186 feet.

It is recommended that a new GAS pool be created and designated as the MOSLEY CANYON STRAWN GAS Pool.

Vertical limits to be the STRAWN formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (f) Exhibit I

Discovery well was W.A. Moncrief, Jr. Jurnegan State #1 located in Unit C Section 8 Township 24 Range 25 and was completed on February 15, 1982. Top of perforations is at 9684 feet.

NEW POOLS

It is recommended that a new OIL pool be created and designated as the WEST NADINE TUBB Pool.

Vertical limits to be the TUBB formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (g) Exhibit I

Discovery well was TAMARACK PETROLEUM CO. INC. KORNEGAY A #1 located in Unit F Section 9 Township 20 Range 38 and was completed on March 24, 1982. Top of perforations is at 6460 feet.

It is recommended that a new GAS pool be created and designated as the PITCHFORK RANCH-MORROW GAS Pool.

Vertical limits to be the MORROW formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (h) Exhibit I

Discovery well was HNG Oil Company Madera 32 State Com #1 located in Unit C Section 32 Township 24 Range 34 and was completed on April 7, 1982. Top of perforations is at 14,723 feet.

It is recommended that a new OIL pool be created and designated as the SEVEN RIVERS-YESO Pool.

Vertical limits to be the YESO formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (i) Exhibit I

Discovery well was Chama Petroleum Co. Irami Federal #1 located in Unit N Section 34 Township 19 Range 25 and was completed on April 24, 1982. Top of perforations is at 2408 feet.

NEW POOLS

It is recommended that a new OIL pool be created and designated as the EAST SKAGGS-ABO Pool.

TO BE DISMISSED

Vertical limits to be the ABO formation and the horizontal limits should be as follows: AS SHOWN IN PARAGRAPH (j) Exhibit I

Discovery well was Texaco Inc. C.H. Weir A Well #12 located in Unit G Section 12 Township 20 Range 37 and was completed on December 16, 1981. Top of perforations is at 7,049 feet.

It is recommended that a new OIL pool be created and designated as the TEAGUE-TUBB Pool.

Vertical limits to be the TUBB formation and the horizontal limits should be as follows: As shown in Paragraph (k) Exhibit I

Discovery well was Alpha Twenty-One Production Company Lea Well #2 located in Unit A Section 17 Township 23 Range 37 and was completed on March 17, 1982. Top of perforations is at 6,138 feet.

It is recommended that a new OIL pool be created and designated as the TOWNSEND-DEVONIAN Pool.

Vertical limits to be the DEVONIAN formation and the horizontal limits should be as follows: As shown in Paragraph (l) Exhibit I

Discovery well was Kimbark Oil & Gas Company New Mexico 1-4 St Com #1 located in Unit N Section 4 Township 16 Range 35 and was completed on April 19, 1982. Top of perforations is at 13,100 feet.

NEW POOLS

It is recommended that a new OIL pool be created and designated as the WELCH BONE SPRING Pool.

Vertical limits to be the BONE SPRING formation and the horizontal limits should be as follows: As shown in Paragraph (m) Exhibit I

Discovery well was Quanah Petroleum Inc. Hay B Fed Com #1 located in Unit K Section 9 Township 26 Range 27 and was completed on March 31, 1982. Top of perforations is at 6100 feet.

It is recommended that a new _____ pool be created and designated as the _____ Pool.

Vertical limits to be the _____ formation and the horizontal limits should be as follows: _____

Discovery well was _____ located in Unit _____ Section _____ Township _____ Range _____ and was completed on _____. Top of perforations is at _____ feet.

It is recommended that a new _____ pool be created and designated as the _____ Pool.

Vertical limits to be the _____ formation and the horizontal limits should be as follows: _____

Discovery well was _____ located in Unit _____ Section _____ Township _____ Range _____ and was completed on _____. Top of perforations is at _____ feet.

CASE NO. 7672 (a) CREATION OF A NEW OIL POOL & DISCOVERY ALLOWABLE ASSIGNMENT

COUNTY Eddy POOL Brushy Draw-Brushy Canyon

TOWNSHIP	26S	RANGE 29E			MM
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, and to assign approximately 25,410 barrels of discovery allowable to the discovery well.

Disc. well: J. C. Williamson, UCBHWW #1-M, 25-26-29

Comp. 6/23/82 thru. Brushy Canyon perms 5082-5118

Proposed pool boundary outlined in blue

Section 25: SW/4

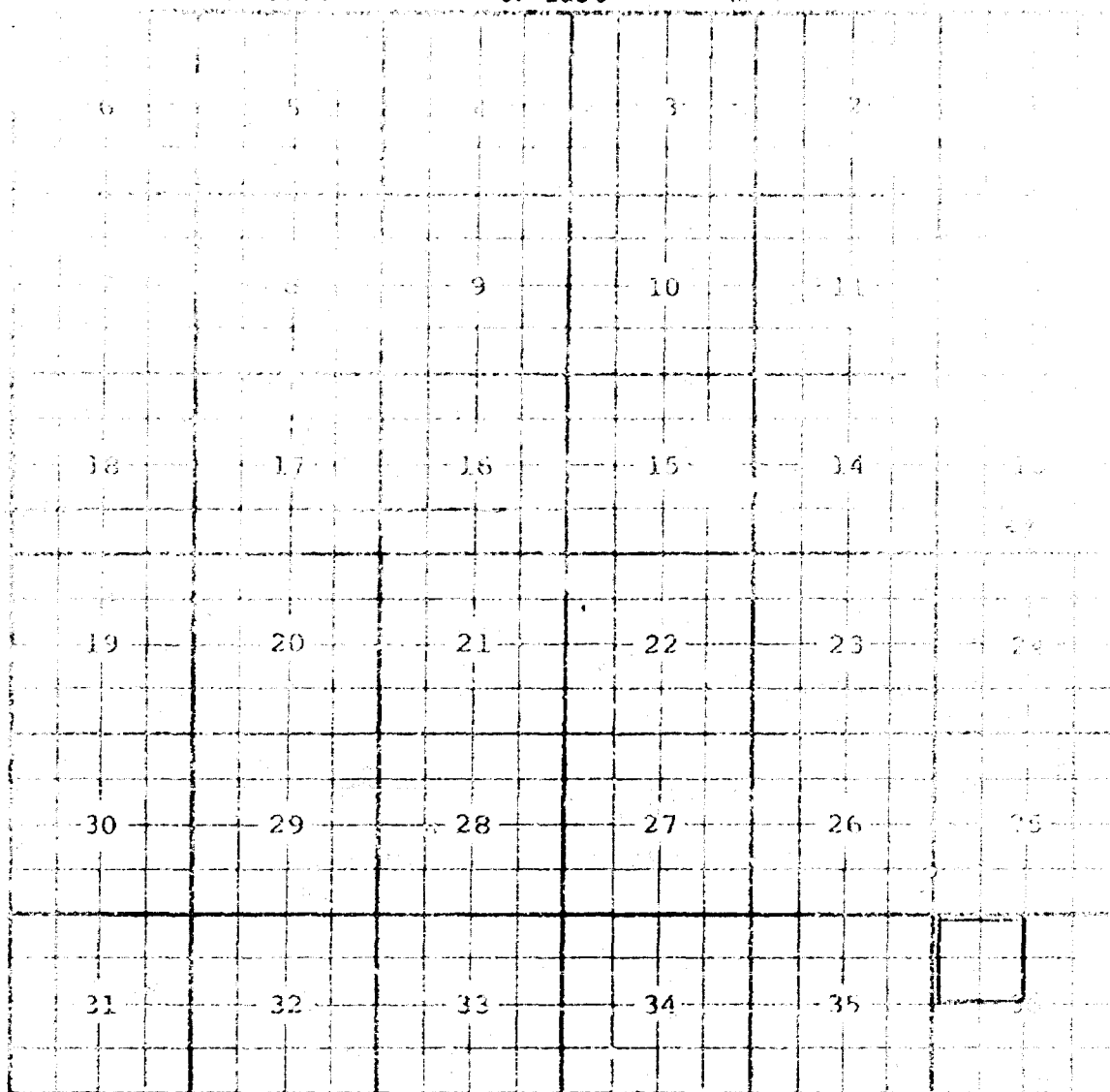
LEA

HOBBS CHANNEL-SAN ANDRES

17 South

37 East

1717



PURPOSE: One completed oil well capable of producing.

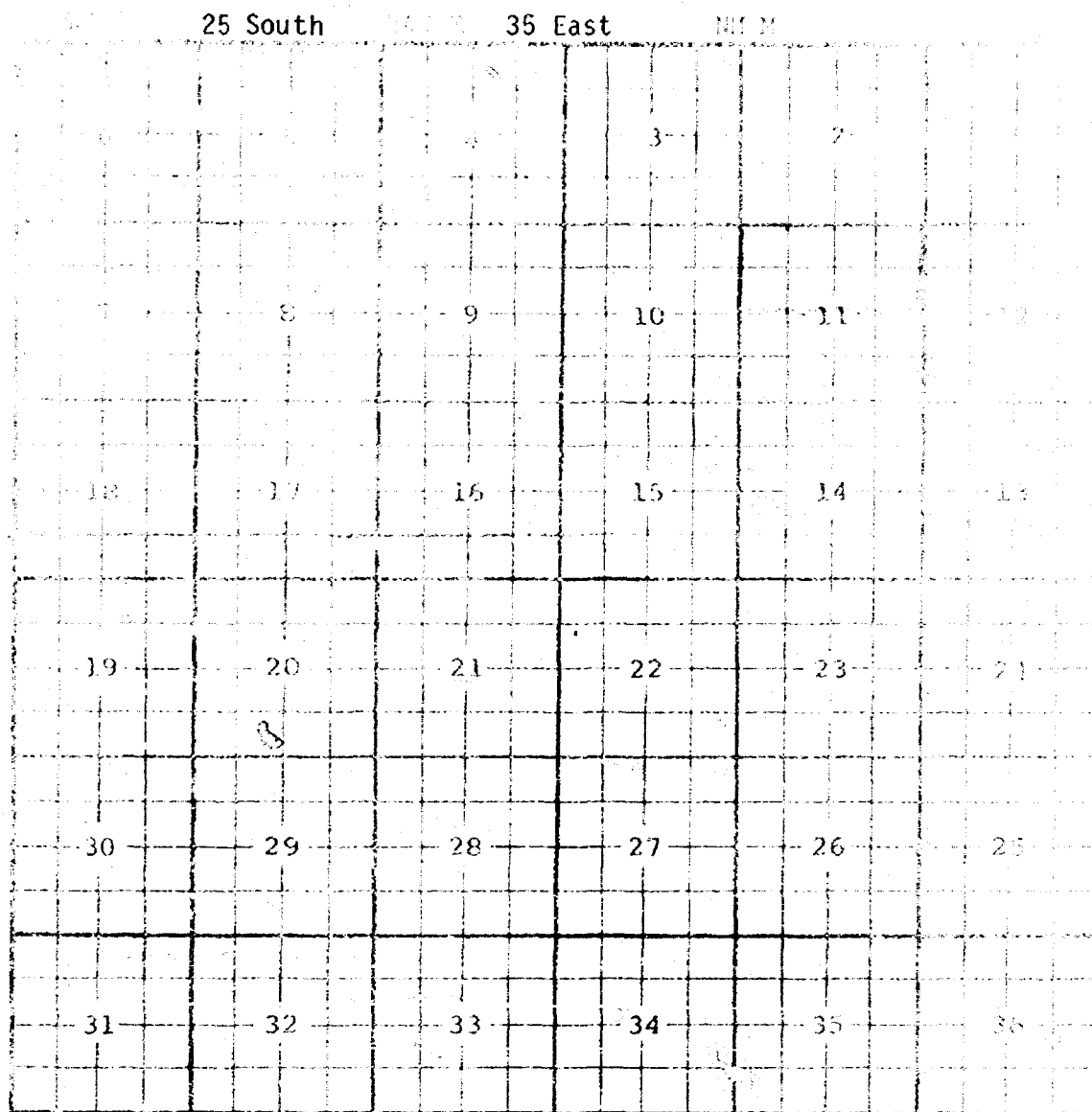
DISCOVERY WELL: Bass Enterprises Prod. Co. Humble City Unit #1-D in Sec 36, T17S, R37E, completed June 22, 1982, in the San Andres Formation. Top perf 7049 feet.

Proposed pool boundary outlined in red. SECTION 36: NW/4

CASE NO. 7672 (c) CREATION OF A NEW GAS POOL

LEA

HUMPHREYS MILL-MORROW GAS



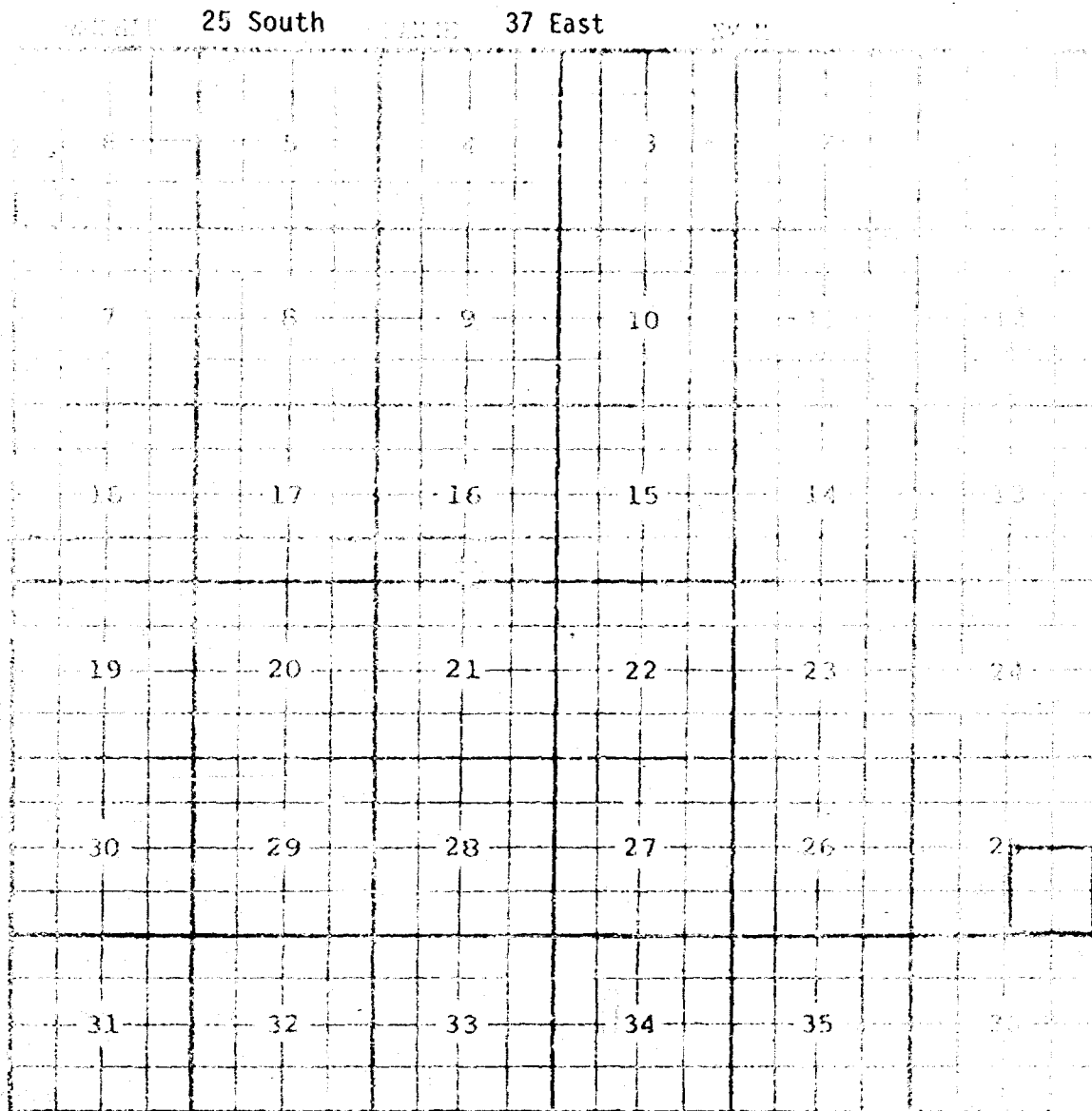
PURPOSE: One completed gas well capable of producing.

DISCOVERY WELL: Florida Exploration Company Reno Com Well #1-D in Section 11, T25S, R35E, completed May 9, 1981, in the Morrow formation. Top perf 15,260 feet.

Proposed pool boundary outlined in red. SECTION 11: N/2

LEA

JUSTIS ABO



PURPOSE: One completed oil well capable of producing.

DISCOVERY WELL: Santa Fe Energy Company, Carlson B-25 Fed Well #3-0 in Section 25, T25S, R37E, completed April 21, 1982, in the Abo formation. Top perf 6,182 feet.

Proposed pool boundary outlined in red. SECTION 25: SE/4

CASE No. 7672 (e) CREATION OF A NEW GAS POOL

COUNTY Eddy

POOL McMillan-Upper Penn Gas

TOWNSHIP 19S

RANGE 27E

NNMM

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 gas well capable of producing.

Disc. well: Southland Royalty Co.-Pecos River Fed. 20

Com #1-J, 20-19-27. Comp. 5/24/80 thru. Upper Penn. perfs.

8186-90.

Proposed pool boundary outlined in blue

Section 20: E/2

CASE NO. 7672 (f) CREATION OF A NEW GAS POOL

COUNTY Eddy

POOL Mosley Canyon-Strawn Gas

TOWNSHIP 24S

RANGE 25E

MMIM

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 gas well capable of producing

Disc. well: W.A. Moncrief Jr., Jurnegan State #1-C

8-24-25 Comp. 2/15/82 thru. Strawn perfs 9684-9706.

Proposed pool boundary outlined in blue:

Section 8:N/2

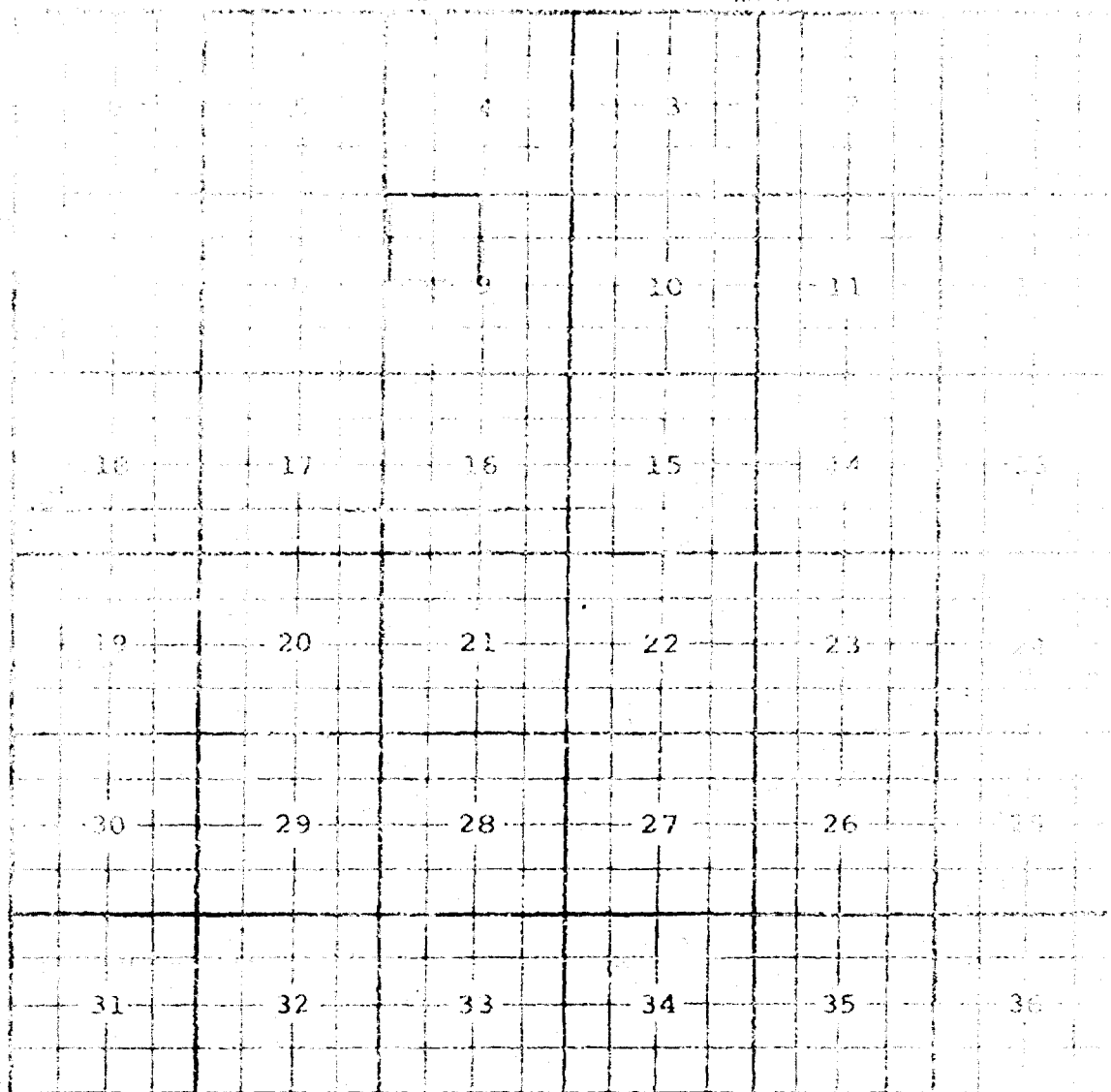
LEA

WEST NADINE-TUBB

20 South

38 East

NW 1/4



PURPOSE: One completed oil well capable of producing.

DISCOVERY WELL: Tamarack Petroleum Co., Inc. Kornegay A Well #1-F in Section 9, T20S, R38E, completed March 24, 1982, in the Tubb formation. Top perf 6460 feet.

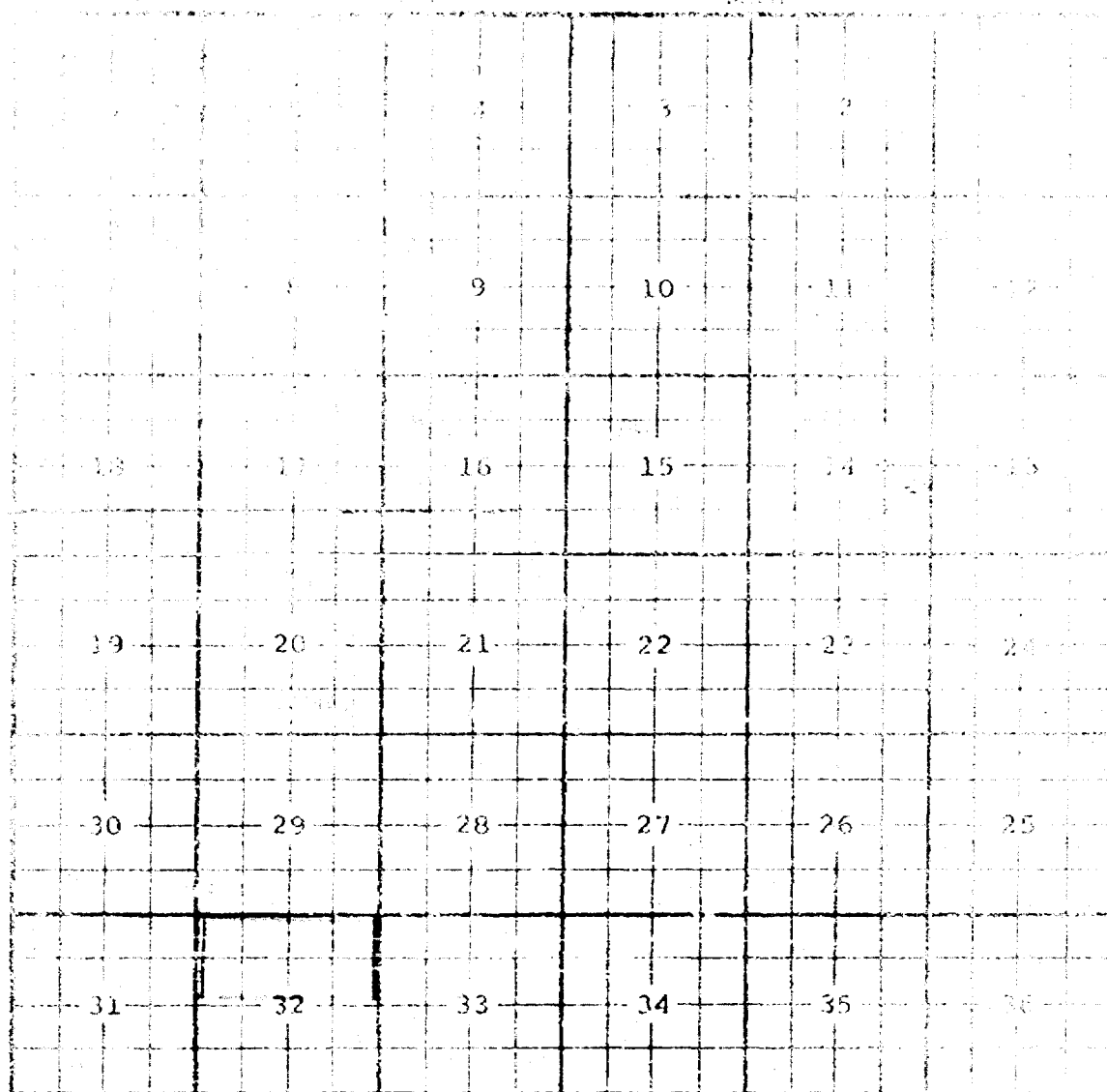
Proposed pool boundary outlined in red. SECTION 9: NW/4

LEA

PITCHFORK RANCH-MORROW GAS

24 South

34 East



PURPOSE: One completed oil well capable of producing.

DISCOVERY WELL: HNG Oil Company Madera 32 State Com Well #1-C in 32-24-34 completed April 7, 1982, in the Morrow formation. Top perf 14,723 feet.

Pool boundary outlined in red. SECTION 32: N/2

CASE NO. 7672 (1) CREATION OF A NEW OIL POOL

COUNTY Eddy

POOL Seven Rivers-Yeso

TOWNSHIP 19S

RANGE 25E

MMEM

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.

Disc. well: Chama Petroleum Co.-Irami Fed. #1-N, 34-19-25

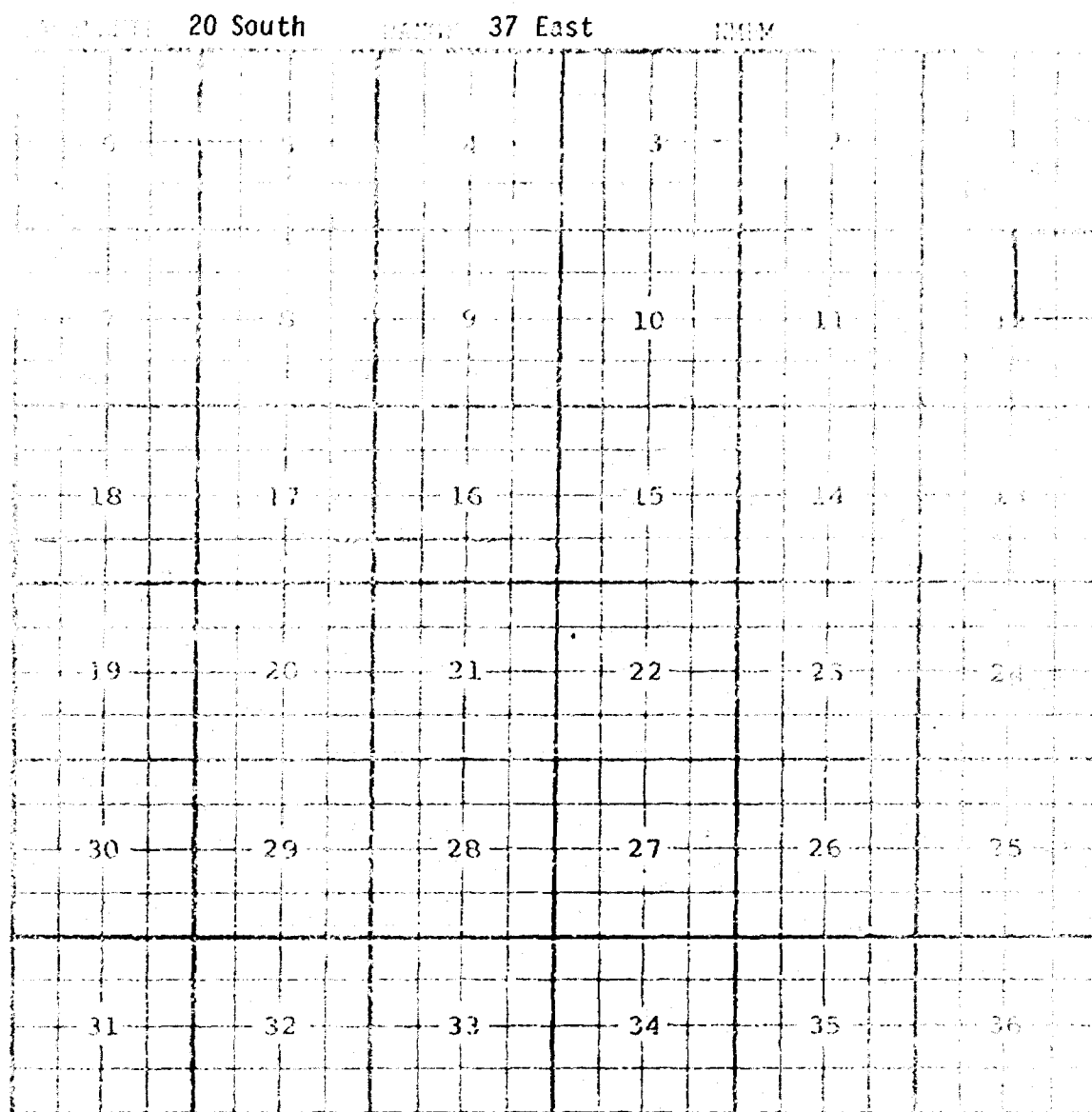
Comp. 4/24/82 thru Yeso perfs 2408-2671.

Proposed pool boundary outlined in blue.

Section 34: SW/4.

LEA

EAST SKAGGS-ABO



PURPOSE: One completed oil well capable of producing.

DISCOVERY WELL: Texaco Inc. C.H. Weir A Well #12-G in Section 12, T20S, R37E, completed December 16, 1981, in the Abo formation. Top perf 7,049 ft.

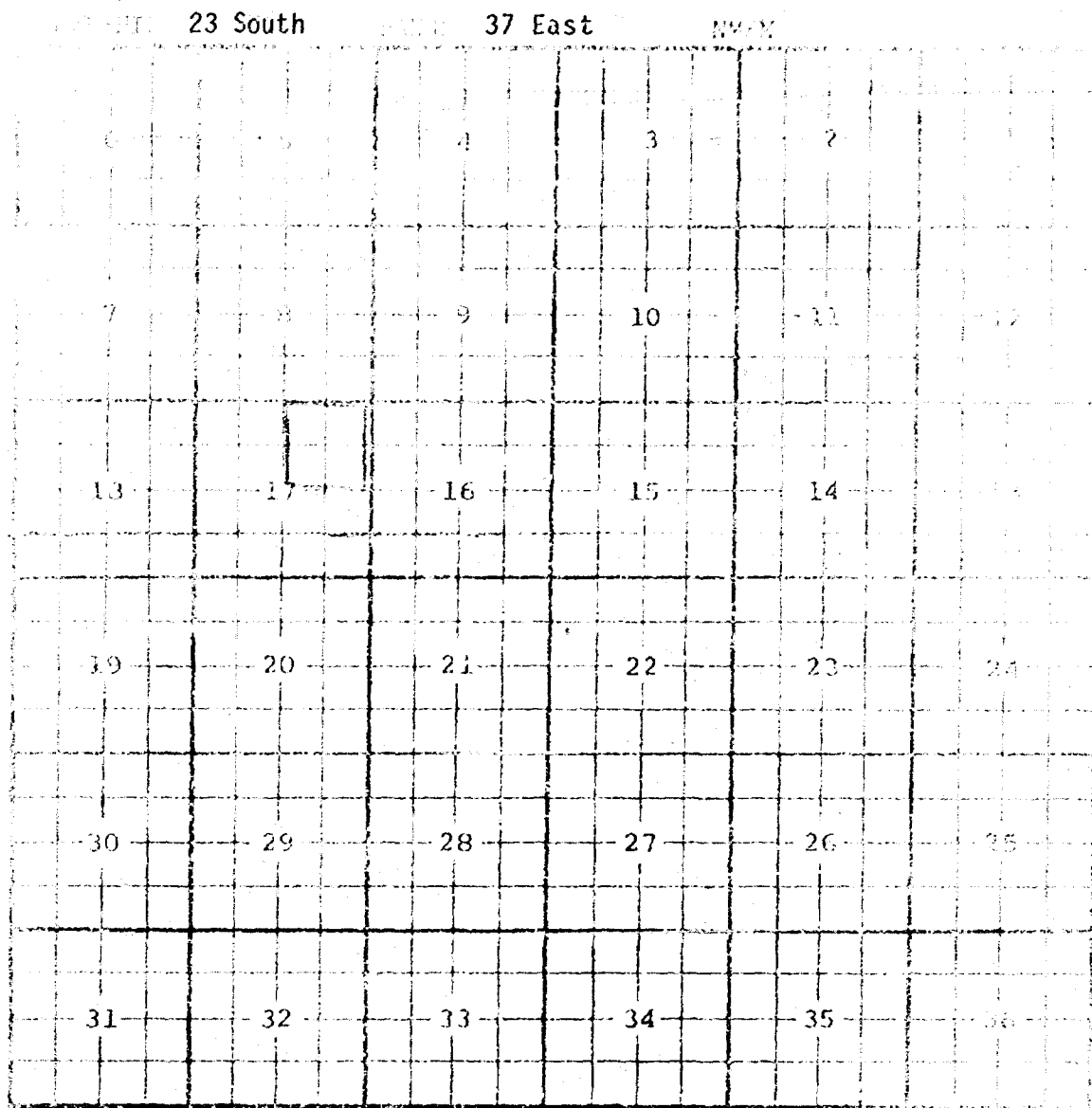
Proposed pool boundary outlined in red. SECTION 12: NE/4

TO BE DISMISSED

CASE NO. 7672 (k) CREATION OF A NEW OIL POOL

LEA

TEAGUE-TUBB



PURPOSE: One completed oil well capable of producing.

DISCOVERY WELL: Alpha Twenty-One Production Company Lea #2-A in Sec 17, T23S, R37E, completed March 17, 1982, in the Tubb formation. Top perf 6,138'.

Proposed pool boundary outlined in red. SECTION 17: NE/4

CASE NO. 7672 (1) CREATION OF A NEW OIL POOL

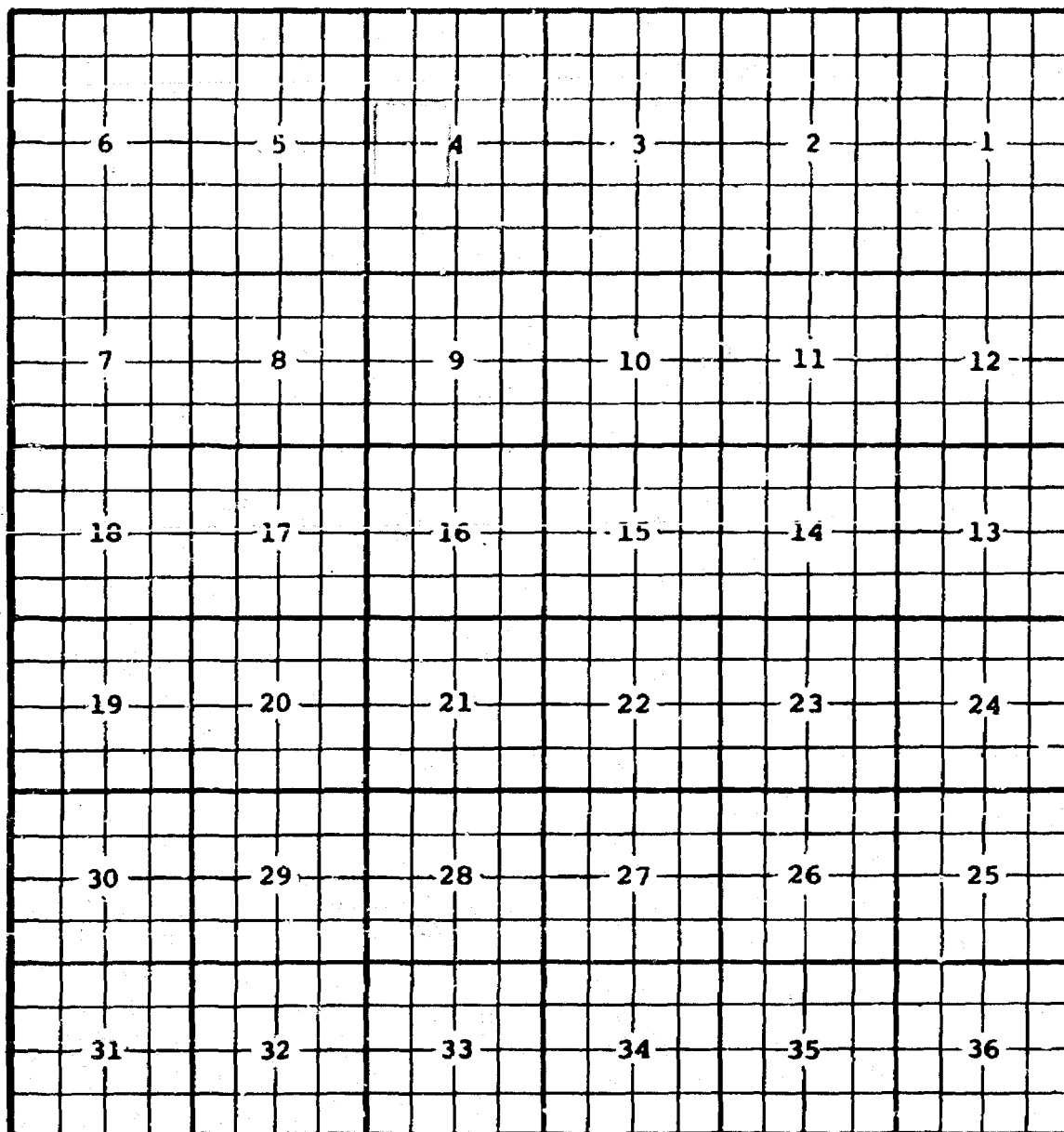
COUNTY LEA

POOL TOWNSEND-DEVONIAN

TOWNSHIP 16 South

RANGE 35 East

NMPM



PURPOSE: One completed oil well capable of producing.

DISCOVERY WELL: Kimbark Oil and Gas Company New Mexico 1-4 St Com #1-N
in Section 4, T16S, R35E, completed April 19, 1982, in the Devonian formation.
Top perf 13,100 feet.

Proposed pool boundary outlined in red. SECTION 4: Lots 11,12,13, & 14

CASE NO. 7672 (m) CREATION OF A NEW OIL POOL

COUNTY Eddy

POOL Welch - Bone Spring

TOWNSHIP 26S

RANGE 27E

1211M

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.

Disc. well: Quanah Pet. Inc.-Hay B Fed. Com #1-K

9-26-27 Comp. 3/31/32 thru Bone Spring perfs 6100-6158.

Proposed pool boundary outlined in blue.

Sec. 9: SW/4.

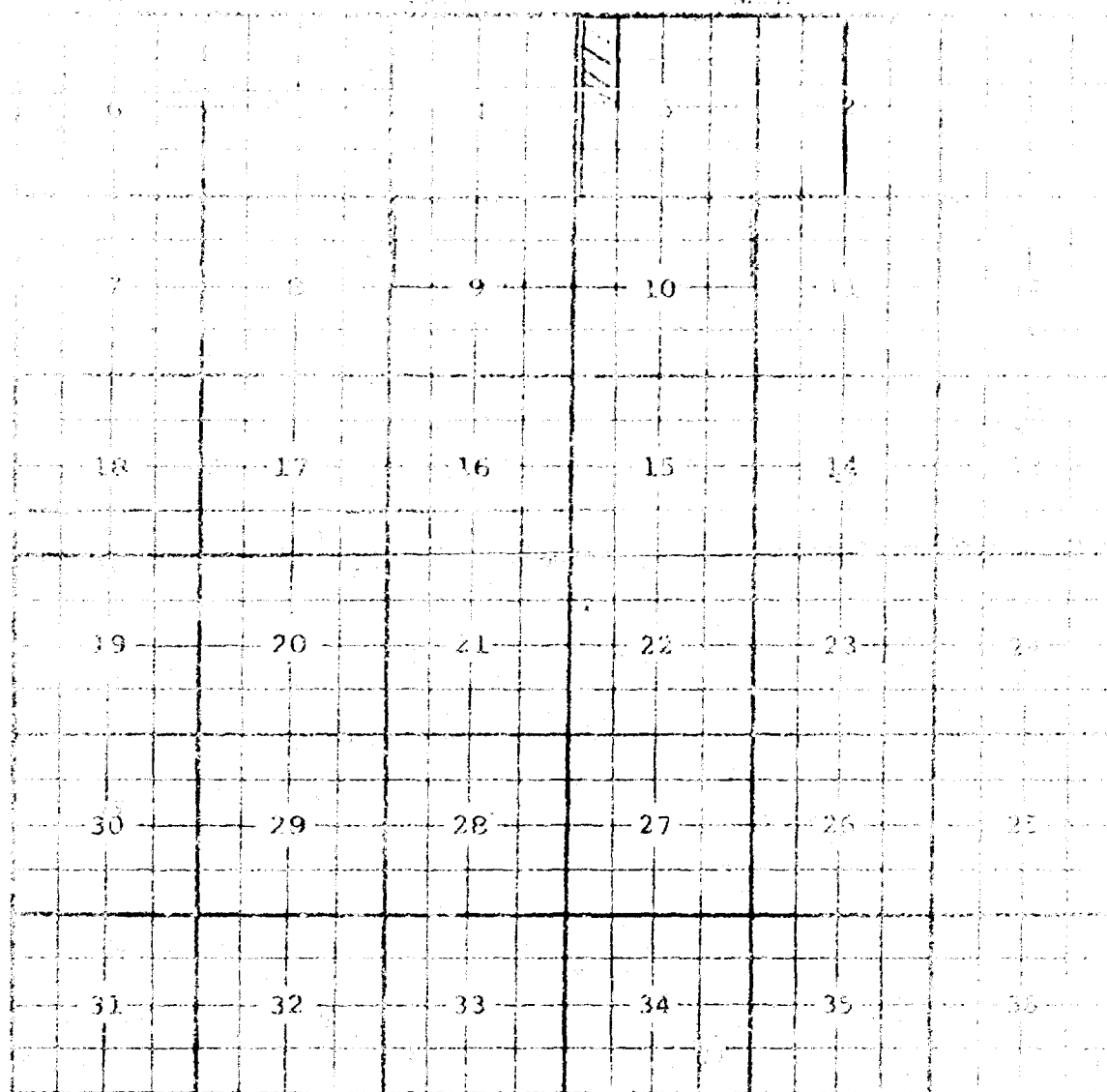
CASE NO. 7672 (n) CONTRACTION OF HORIZONTAL LIMITS OF AN EXISTING POOL

LEA

BUCKEYE-ABO

18 South

35 East



PURPOSE: To correct an overlap with the Vacuum-Abo Reef pool which produces from the same formation.

Pool boundary outlined in red.

Proposed pool deletion hachured in blue. SECTION 3: W/2 NW/4

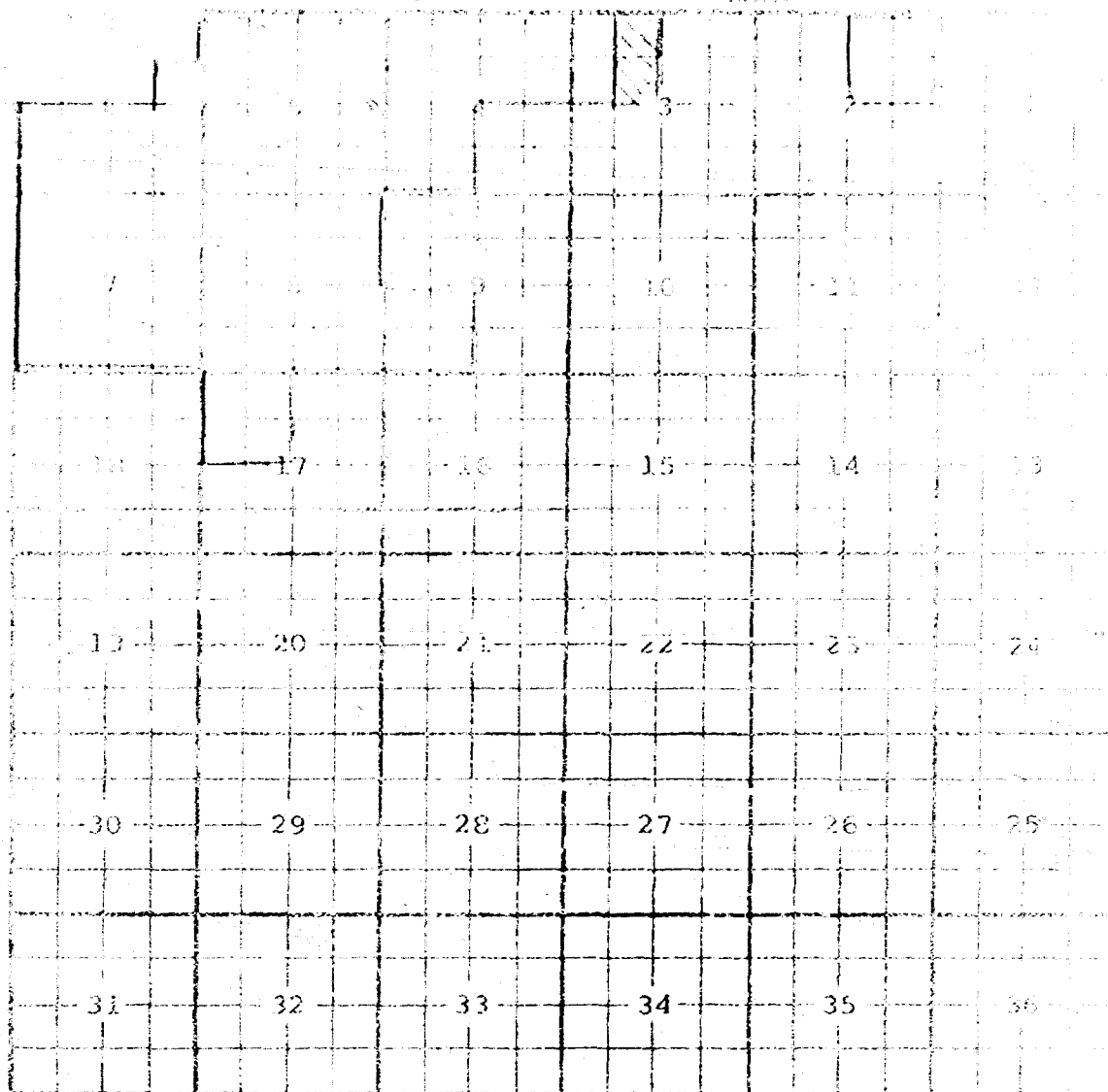
LEA

VACUUM-ABO REEF

18 South

35 East

NW/4



PURPOSE: To Correct overlap with the Buckeye Abo Pool which produces from the same formation.

Pool boundary outlined in red.

Proposed pool deletion hachured in blue. SECTION 3: E/2 NW/4

CASE NO. 7672 (p) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy

POOL Antelope Sink-U. Penn Gas

TOWNSHIP 19S			RANGE 23E			T10N		
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 gas well capable of producing.

Operator	Lease	#&Ut.	S.T.R.
Yates Pet. Corp.	Triangle Ranch RA St Com	2-G	14-19-23
Comp.	Form	TOP	
6/29/82	Cisco	6341	

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 13:N/2.

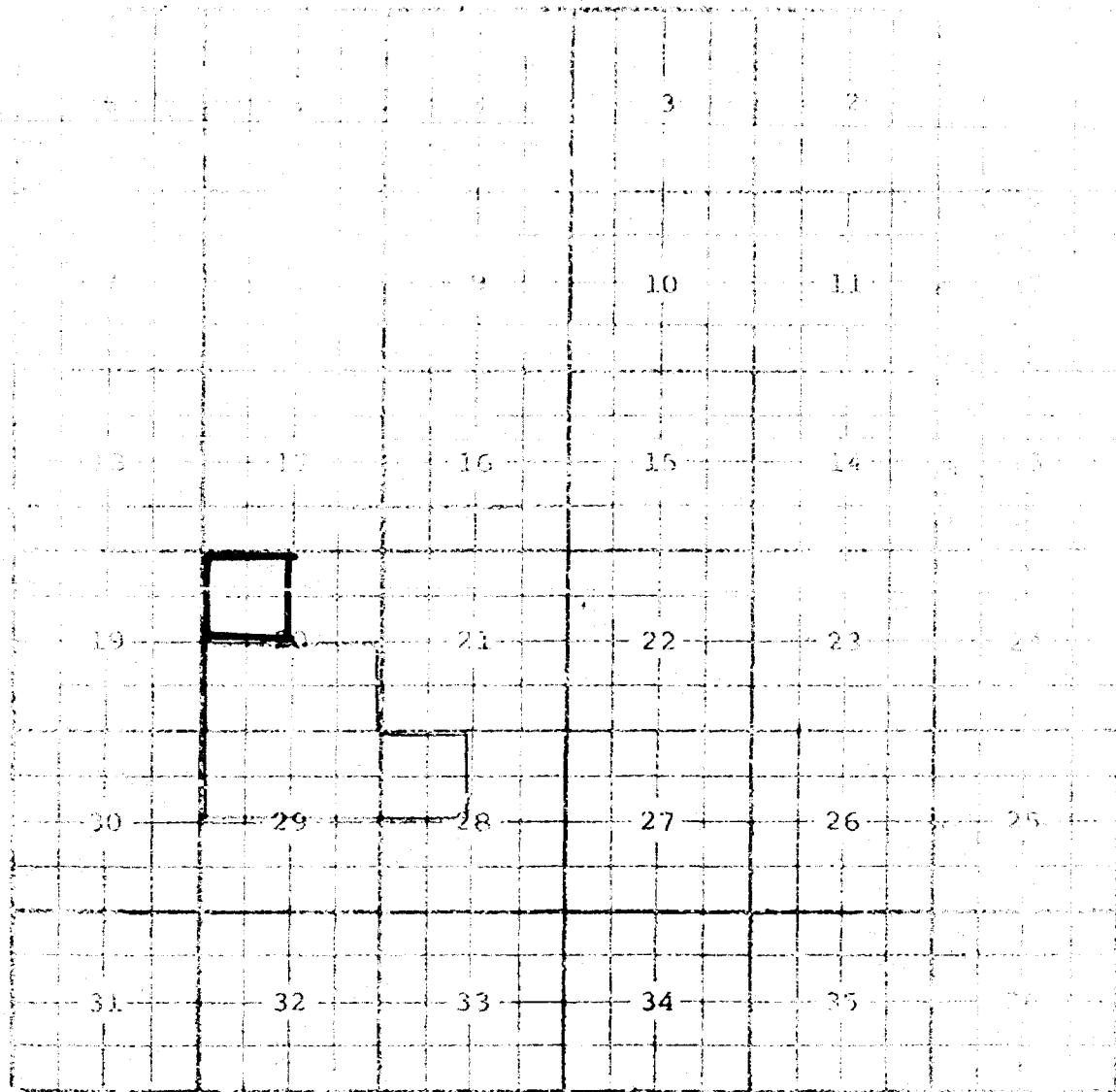
Section 14:N/2.

LEA

WEST ARKANSAS JUNCTION-SAN ANDRES

18 South

36 East



PURPOSE: One completed oil well capable of producing.

Rex Alcorn Bobbie Well #5-E in 20-18-36 completed 1-11-82 in the San Andres formation. Top perf 5,295 feet.

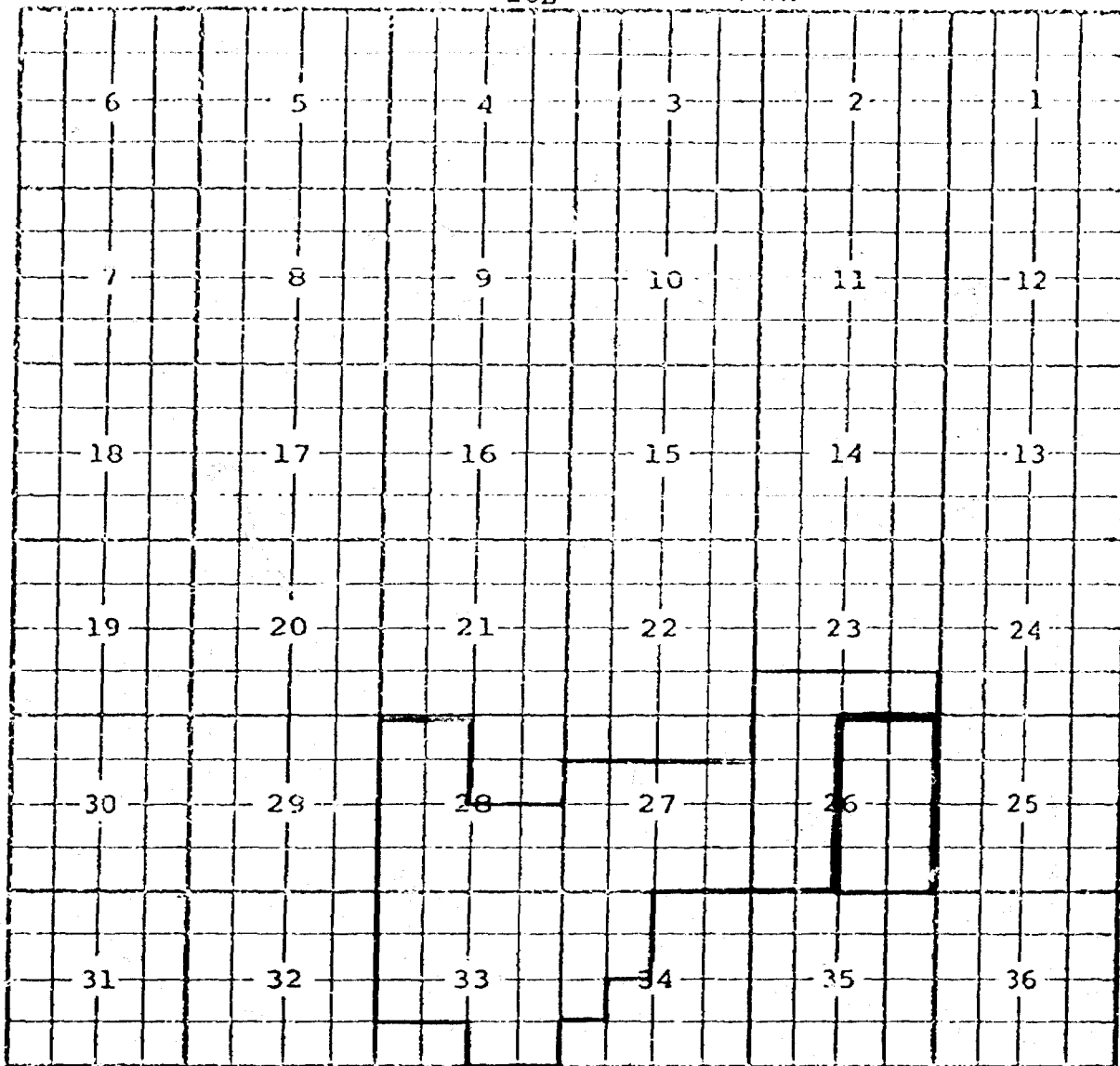
Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 20: NW/4

CASE NO. 7672 (r) EXTENSION OF AN EXISTING OIL POOL

COUNTY Eddy POOL Atoka-Yeso

TOWNSHIP 18S RANGE 26E MM



Purpose: One completed oil well, capable of producing.

Operator	Lease	#&Ut.	S.T.R.	Comp.	Form	Top
Ralph Nix	Melaine	1-J	26-18-26	7/1/82	Yeso	3304

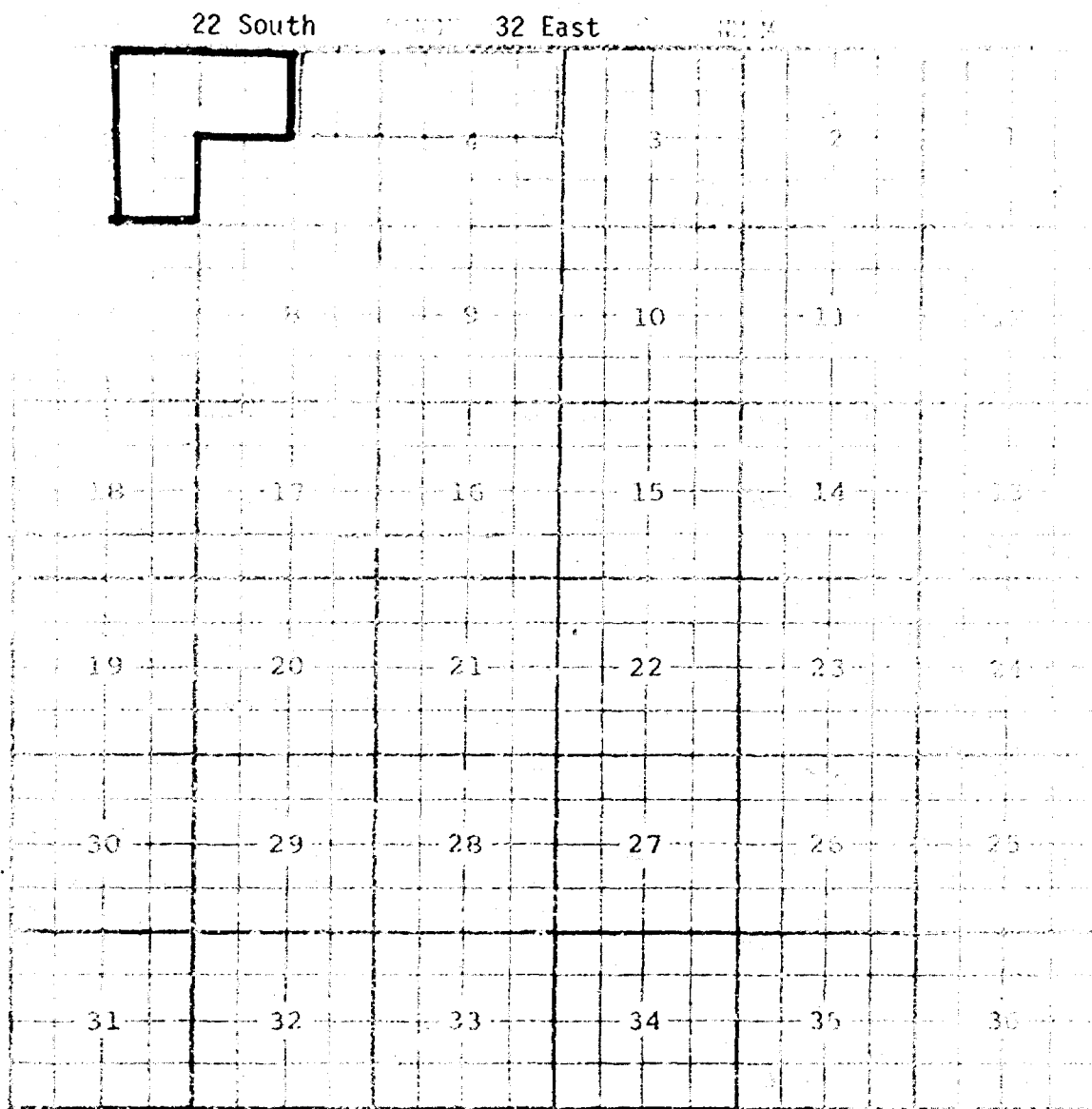
Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 26:E/2

LEA

BILBREY-MORROW GAS



PURPOSE: One completed gas well capable of producing.

Amoco Production Company Federal CK Com Well #1-II in Sec 6, T22S, R32E, completed 1-22-82 in Morrow formation. Top perf 14,049 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 5: NW/4

SECTION 6: E/2

CASE NO. 7672 (t) EXTENSION OF AN EXISTING OIL POOL

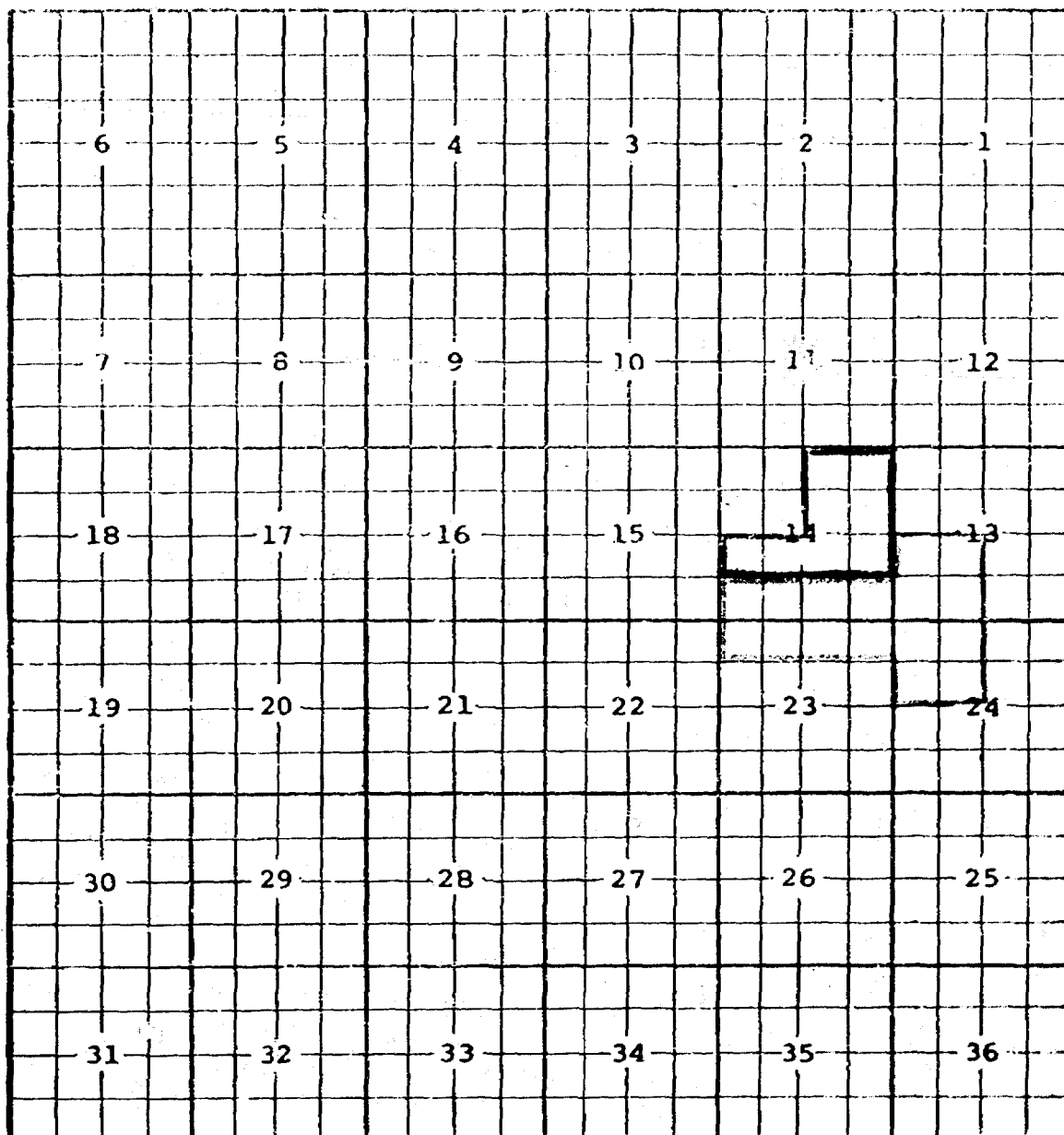
COUNTY Paddy

POOL Bunker Hill-Penrose

TOWNSHIP 16S

RANGE 31E

NMPM



Purpose: One completed oil well capable of producing

Operator	Lease	#&Ut.	S.T.R.
Read & Stevens	Supron	1-H	14-16-31

Comp.	Form	TOP
7/1/82	Penrose	3596

Pool boundary outlined in red.

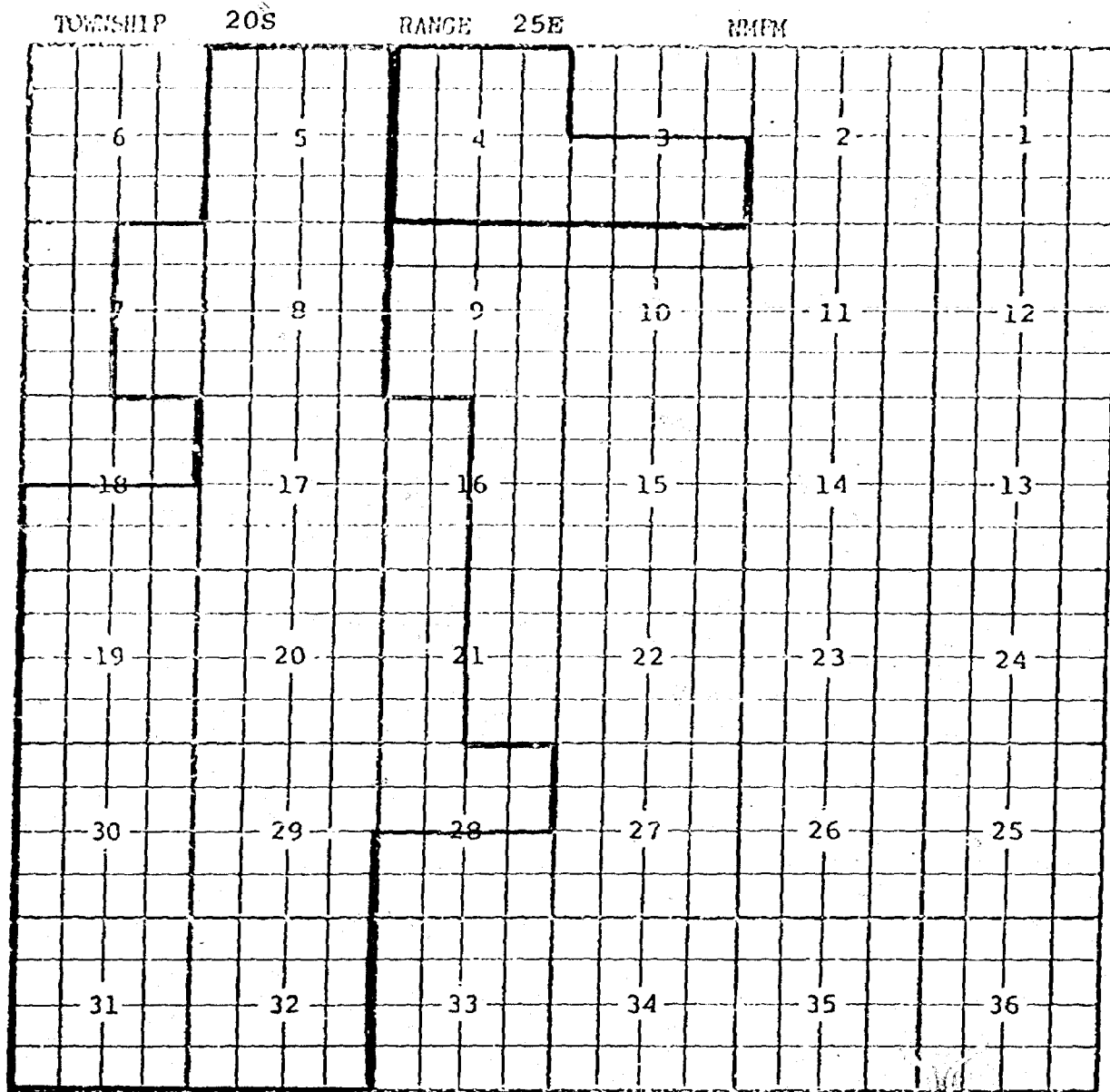
Proposed extension outlined in blue.

Section 14: 1/2 S/2 & NE/4

CASE NO. 7672 (u) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy

POOL Cemetery-Morrow Gas



Purpose: One completed gas well capable of producing

Operator	Lease	#&Ut.	S.T.R.	Comp.
Chama Pet. Co.	Huber Fed,	1-J	3-20-25	2/26/82

Form TOP
Mor. 9448

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 3: S/2

Section 4:

CASE NO. 7672 (v) EXTENSION OF AN EXISTING OIL POOL

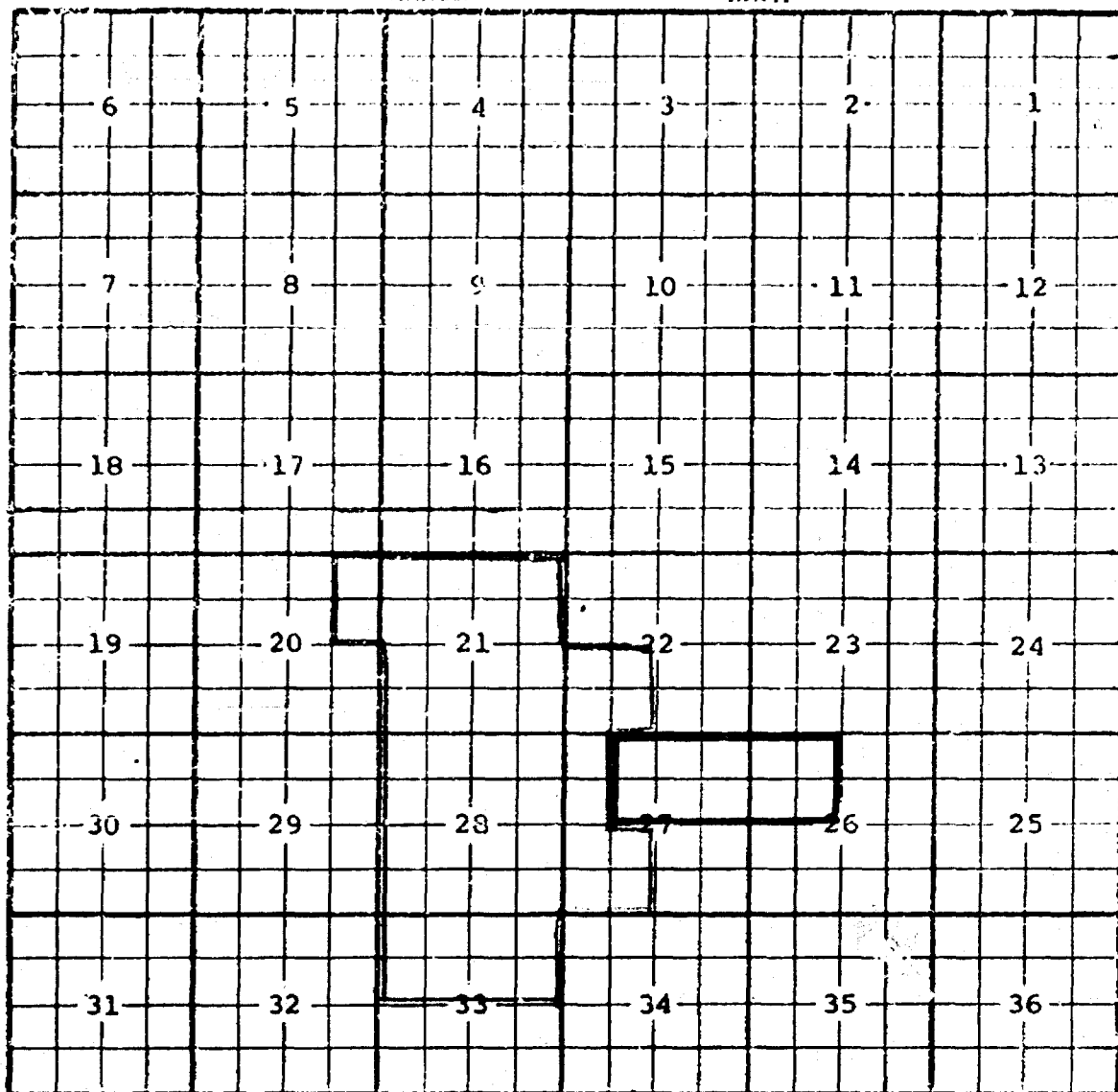
COUNTY LEA

POOL COMANCHE STATELINE TANSILL-YATES-SR-Queen

TOWNSHIP 26 South

RANGE 36 East

NMPM



PURPOSE: One completed oil well capable of producing.

BTA Oil Producers Lea 26 7406 JV-S #1-D in 26-26-36 completed 4-23-82 in Tansill and Yates formation. Top perf 3155 feet.

Pool boundary outlined in red.

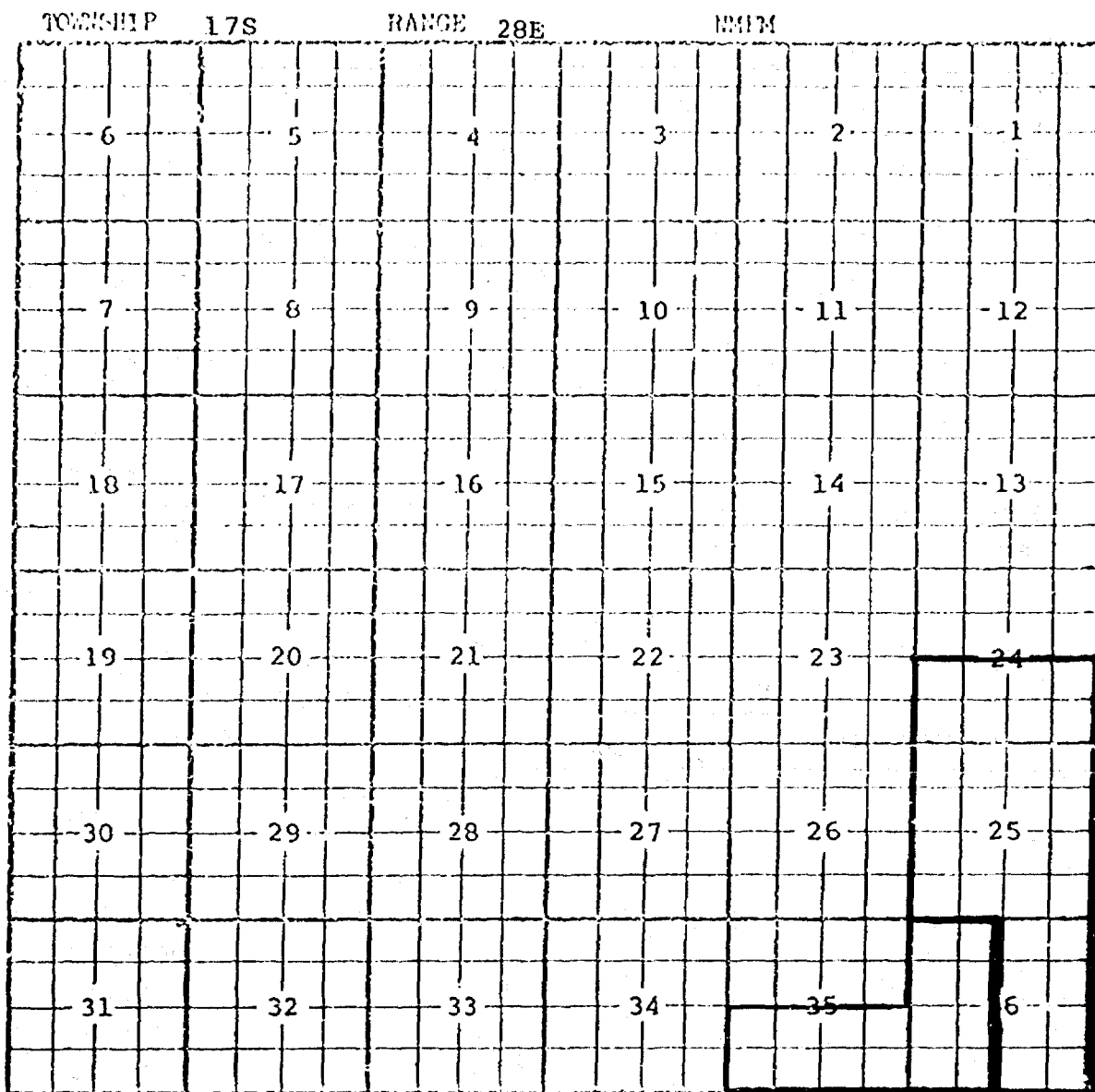
Proposed pool extension outlined in green. SECTION 26: NW/4

SECTION 27: NE/4 & E/2 NW/4

CASE NO.7672 (w) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy

POOL South Empire-Morrow Gas



Purpose: One completed gas well capable of producing.

Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
Arco Oil & Gas	St. Bx	1-0	35-17-28	6/12/82	Mor.	10590

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 35: S/2.

Section 36: W/2.

COUNTY Eddy POOL South Empire-Wolfcamp

TOWNSHIP 17S RANGE 28E NNM Exhibit I

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

Operator	Lease	#&Ut.	S.T.R.
Amoco Prod. Co.	Empire S. Deep Ut.	19-H	36-17-28
Comp.	Form	TOP	
4/15/82	Wolfcamp	7730	

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 36: E/2 NE/4

COUNTY Eddy POOL South Empire-Wolfcamp

TOWNSHIP 17S RANGE 29E MMIM Exhibit II

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: See Exhibit I

Operator Lease #&Ut. S.T.R. Comp. Form TOP

See Exhibit I

Pool boundary outlined in red.

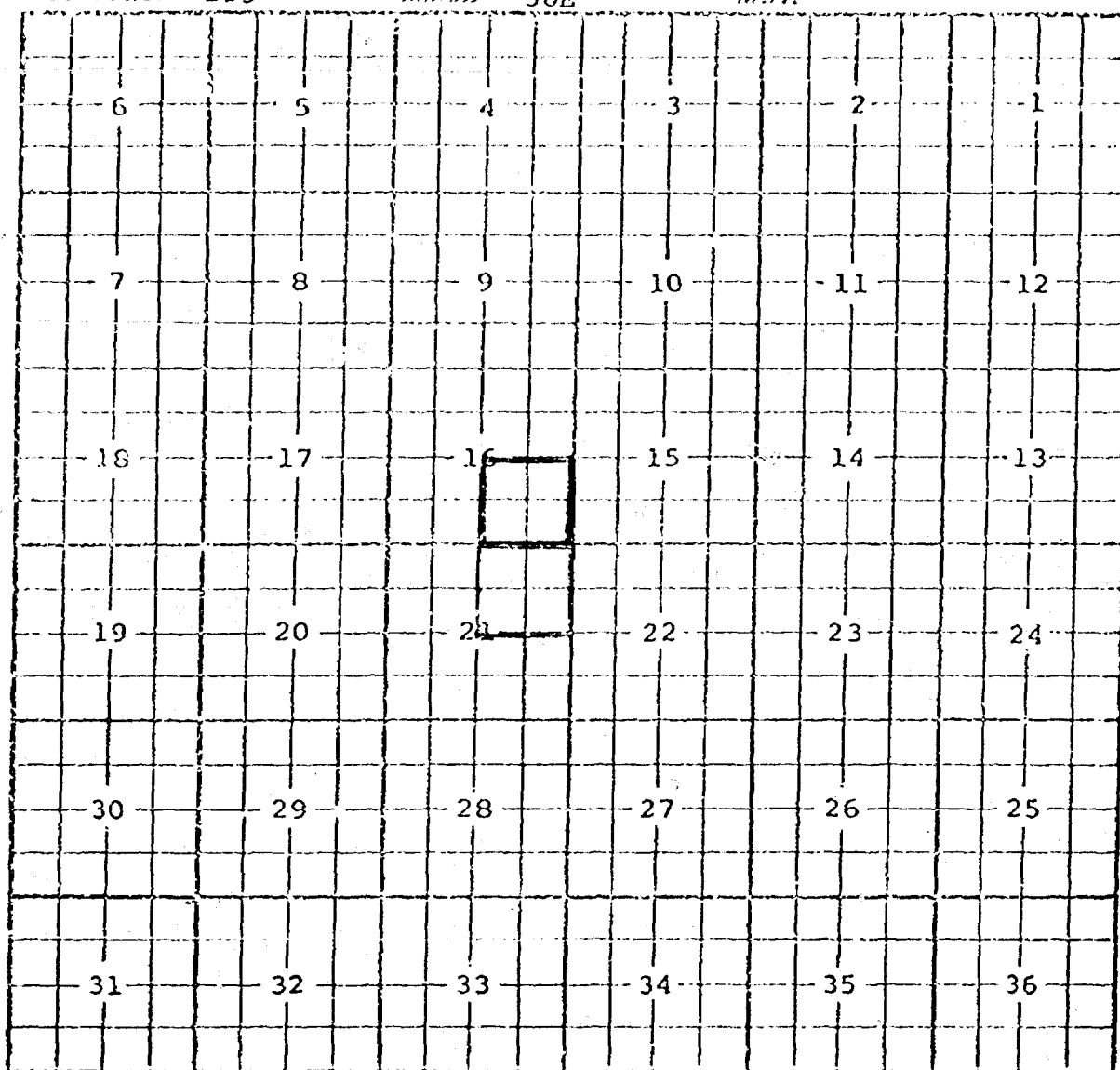
Proposed extension outlined in blue.

Section 31:NW/4 & S/2 NE/4.

CASE NO. 7672 (y) EXTENSION OF AN EXISTING OIL POOL

COUNTY Eddy POOL Forty Niner Ridge-Bone Spring

TOWNSHIP 23S RANGE 30E NE1/4



Purpose: One completed oil well capable of producing

Operator	Lease	#&Ut.	S.T.R.	Comp.
Getty Oil Corp.	49er Ridge Ut.	1-J	16-23-30	6/25/82

Form	TOP
Bone Springs	7564

Pool boundary outlined in red.

Proposed extension outlined in blue

Section 16: SE/4

CASE NO. 7672 (z) EXTENSION OF AN EXISTING OIL POOL

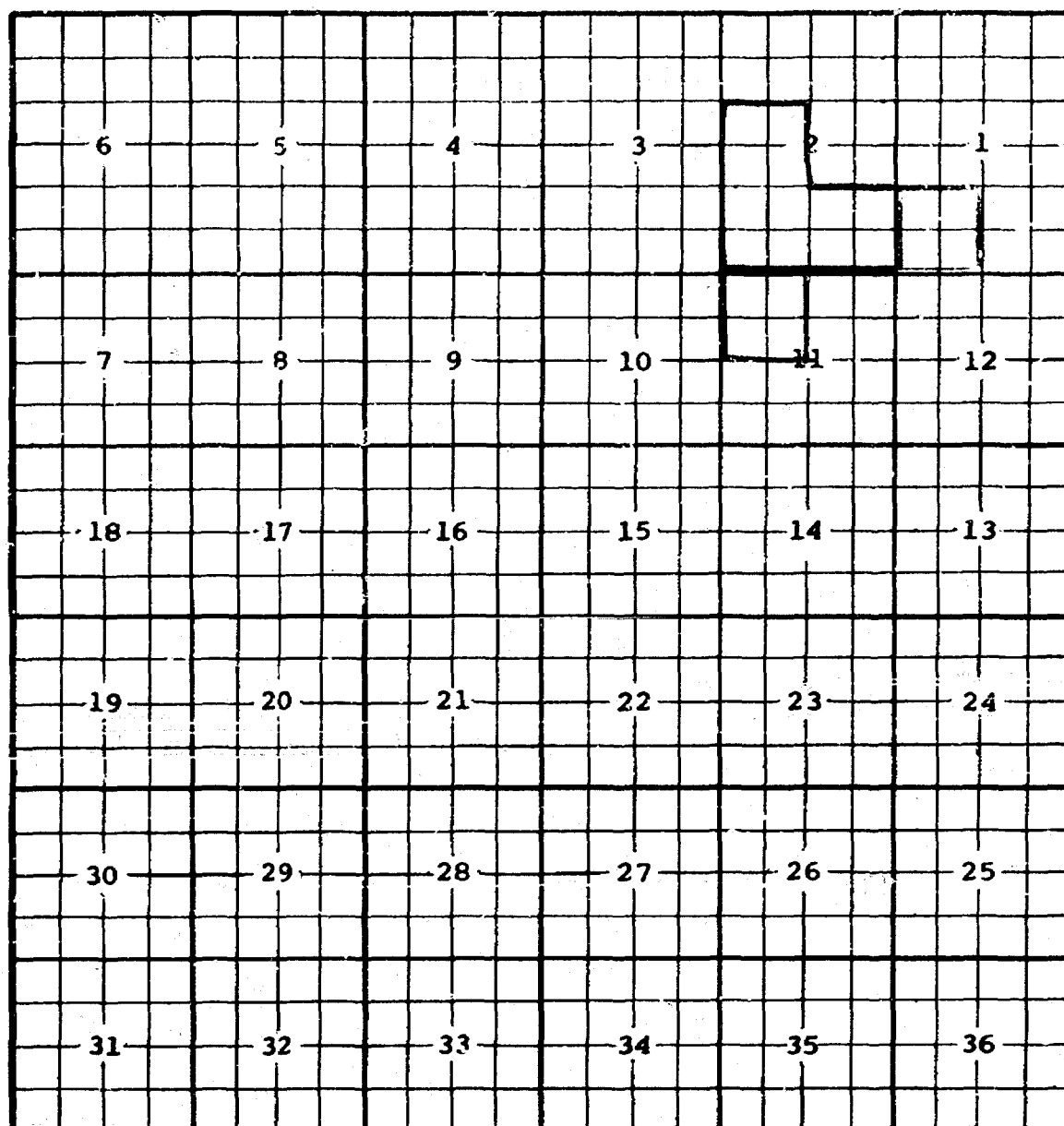
COUNTY LEA

POOL HARDY-TUBB

TOWNSHIP 21 South

RANGE 36 East

NMPM



PURPOSE: Two completed oil wells capable of producing.

Gulf Oil Corp. R.R.Bell NCT-E #4-C in 11-21-36 completed Jan. 3, 1982, in Tubb form. top perf 6538 ft.

Gulf Oil Corp. J.F. Janda NCT-D #2 in Sec 2, T21S, R36E, completed March 4, 1982, in the Tubb formation. Top perf 6554 feet.

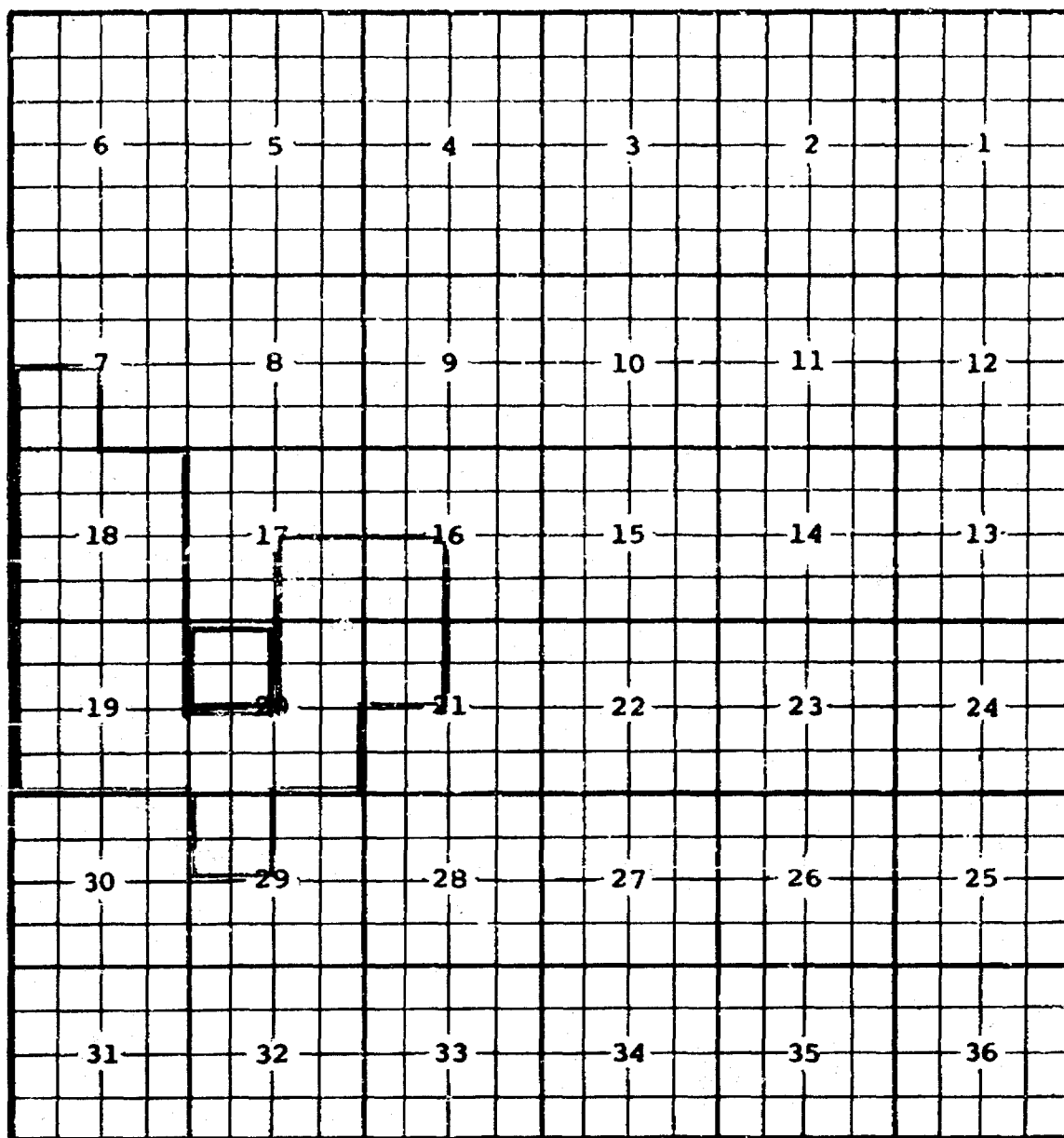
Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 2: Lots 11,12,13,14, & S/2

SECTION 11: NW/4

COUNTY LEA POOL NORTHEAST LOVINGTON PENNSYLVANIAN

TOWNSHIP 16 South RANGE 37 East NMPM



PURPOSE: One completed oil well capable of producing.

Texas Crude Inc. Montieth 20 Well #1-F in 20-16-37 completed 6-26-82 in Strawn formation. Top perf 11,245 feet.

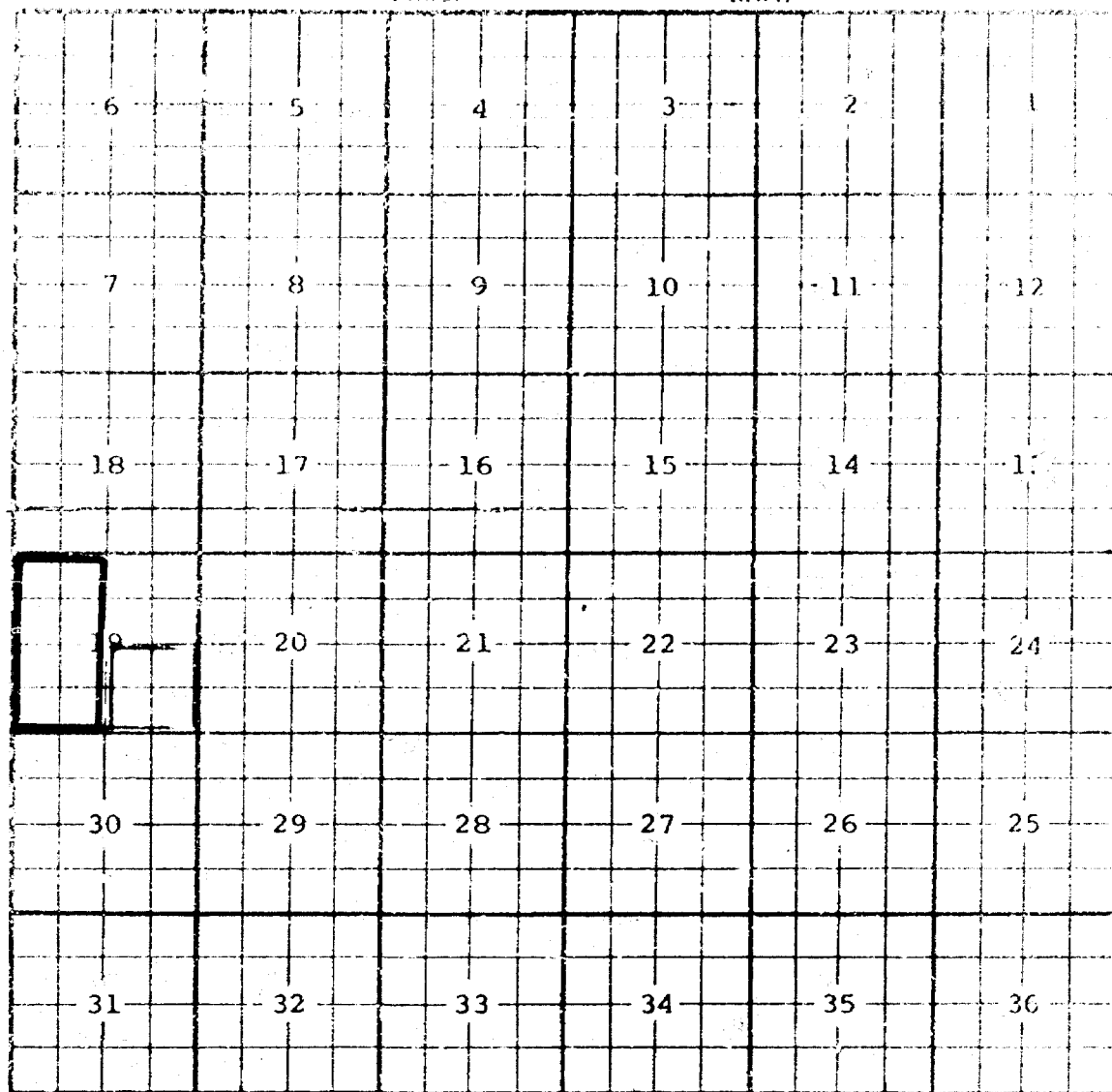
Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 20: NW/4

CASE NO. 7672 (bb) EXTENSION OF AN EXISTING OIL POOL

COUNTY ROOSEVELT POOL WEST MILNESAND PENNSYLVANIAN

TOWNSHIP 8 South RANGE 34 East NM 11M



PURPOSE: One completed oil well capable of producing.

Harper Oil Company Cady Well #1-F in Sec 19, T8S, R34E, completed 3-26-82 in the Bough B formation. Top perf 9192 feet.

Pool boundary outlined in red.

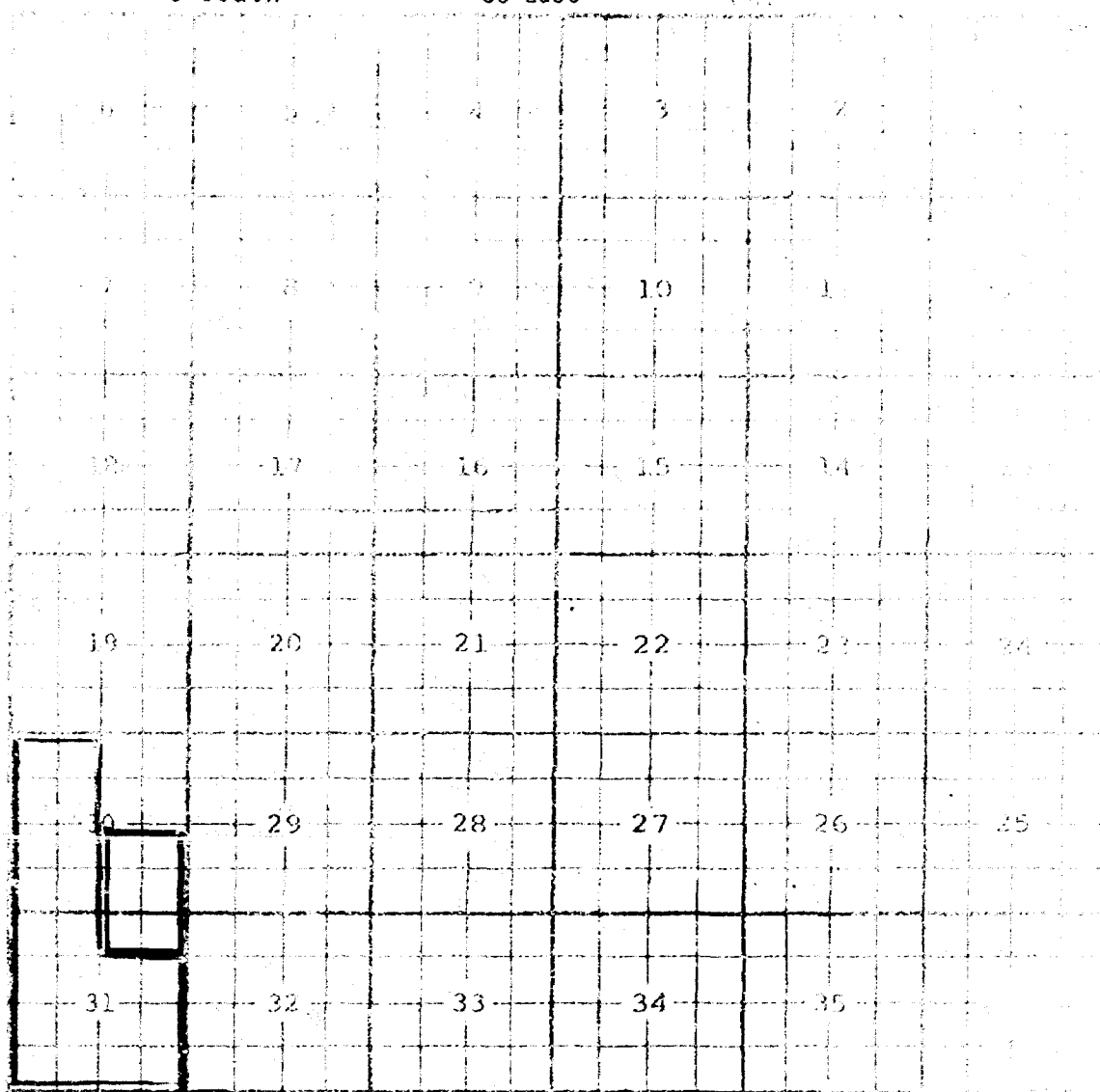
Proposed pool extension outlined in green. SECTION 19: W/2

ROOSEVELT

SOUTH PETERSON PENNSYLVANIAN ASSOCIATED

5 South

33 East



PURPOSE: Two completed oil wells capable of producing.

Phillips Petroleum Company Lambirth A #6-J in Sec 30, T5S, R33E, completed March 17, 1982, in the Penn formation. Top perf 7607 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 30: SE/4

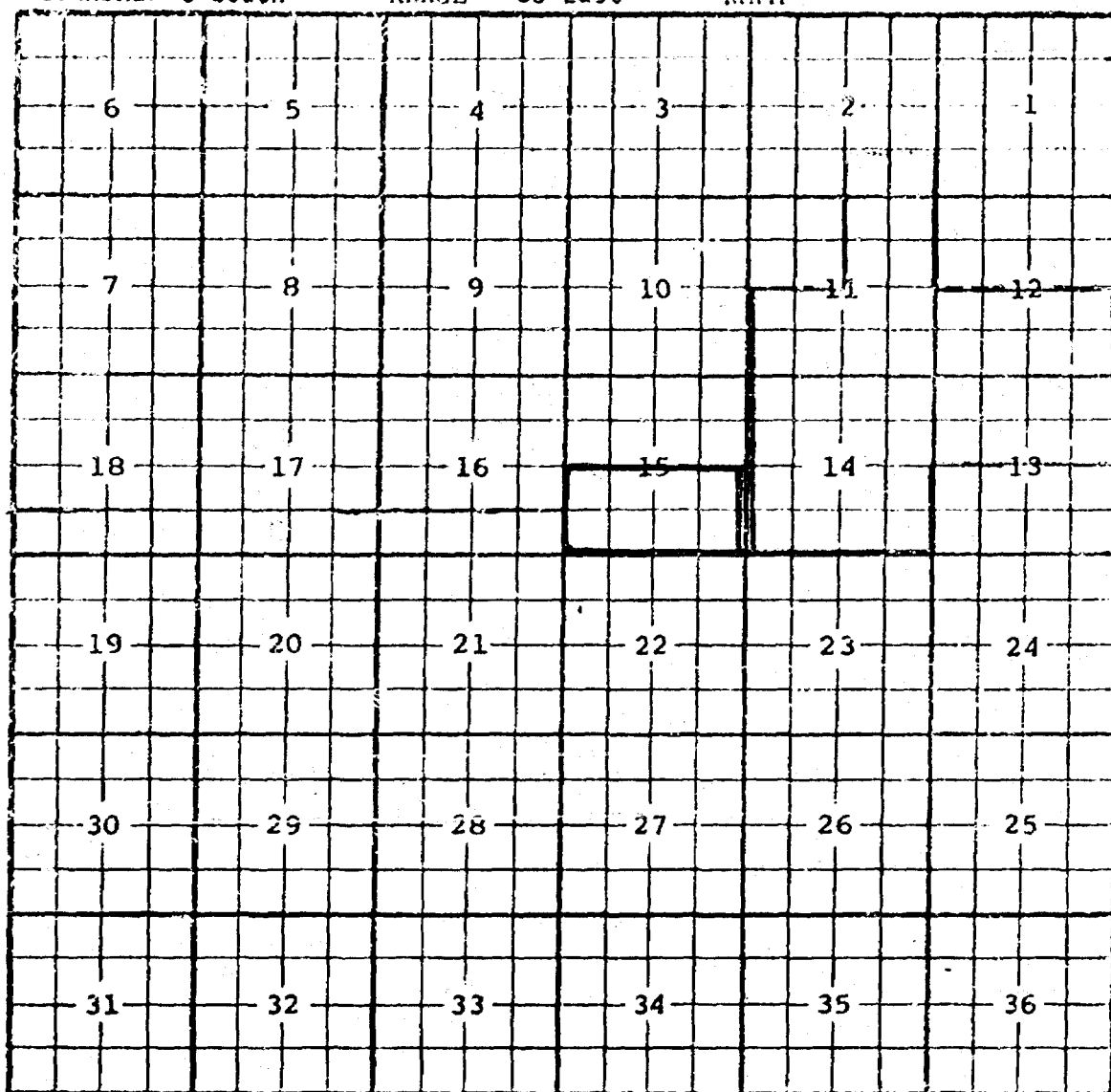
SECTION 31: N/2 NE/4

COUNTY ROOSEVELT POOL SOUTH PETERSON-PENNSYLVANIAN ASSOCIATED

TOWNSHIP 6 South

RANGE 33 East

NMPM



Sun Exploration & Prod. Co. J. McClellan Well #1-K in Sec 15, T6S, R33E, completed Aug. 15, 1981, in the Cisco formation. Top perf 7654 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 15: S/2

CASE NO. 7672 (dd) EXTENSION OF AN EXISTING OIL POOL

COUNTY Chaves

POOL

Race Track-San Andres

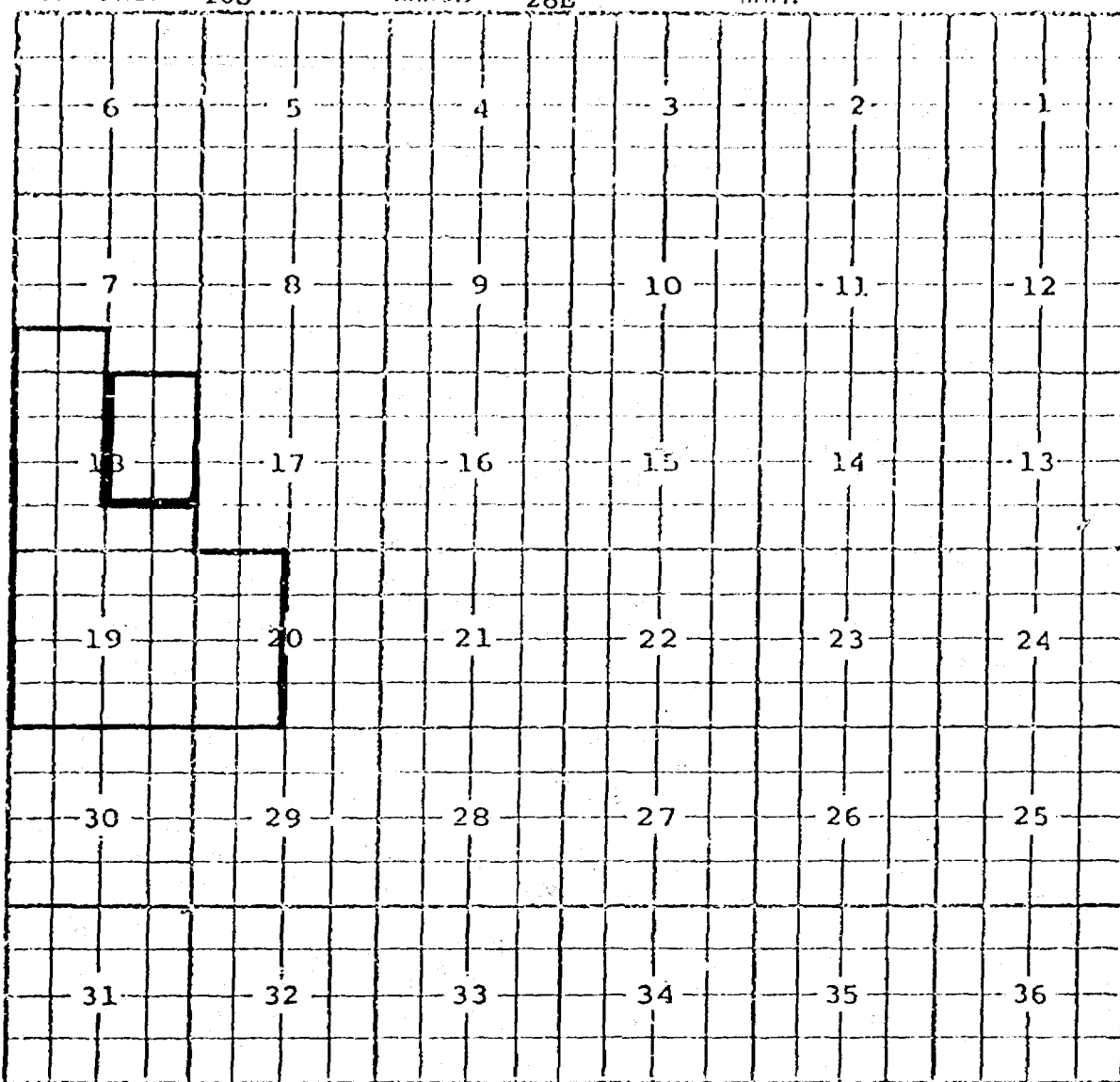
TOWNSHIP

10S

RANGE

28E

SECM



Purpose: One completed well capable of producing

Operator	Lease	#&Ut.	S.T.R.	Comp.
Cibola Energy Inc.	J.P. White	3-B	18-10-28	3/26/82
Form	TOP			
SA	2270			

Pool boundary outlined in red.

Pool extension outlined in blue.

Section 18: NE/4 & S/2 SE/4.

CASE NO. 7672 (ee) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy

POOL Ross Draw-Wolfcamp Gas

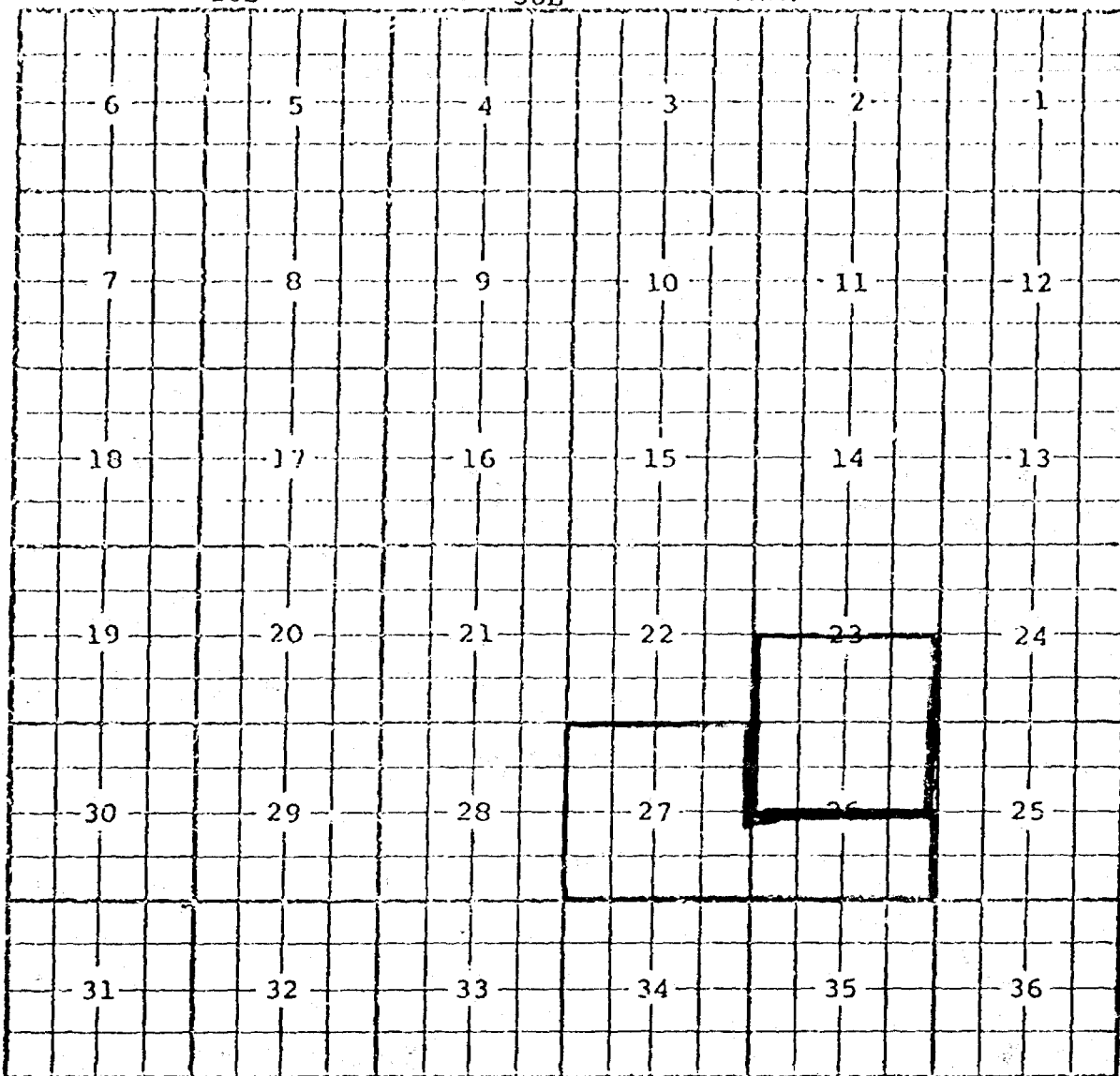
TOWNSHIP

26S

RANGE

30E

USM



Purpose: One completed gas well capable of producing.

Operator

Lease

#&Ut.

S.T.R.

El Paso Nat. Gas Co.

El Paso 23 Fed.

1-M

23-26-30

Comp.

Form

TOP

5/11/82

Wolfcamp

12266

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 23:S/2

Section 26:N/2

CASE NO. 7672 (ff) EXTENSION OF AN EXISTING GAS POOL

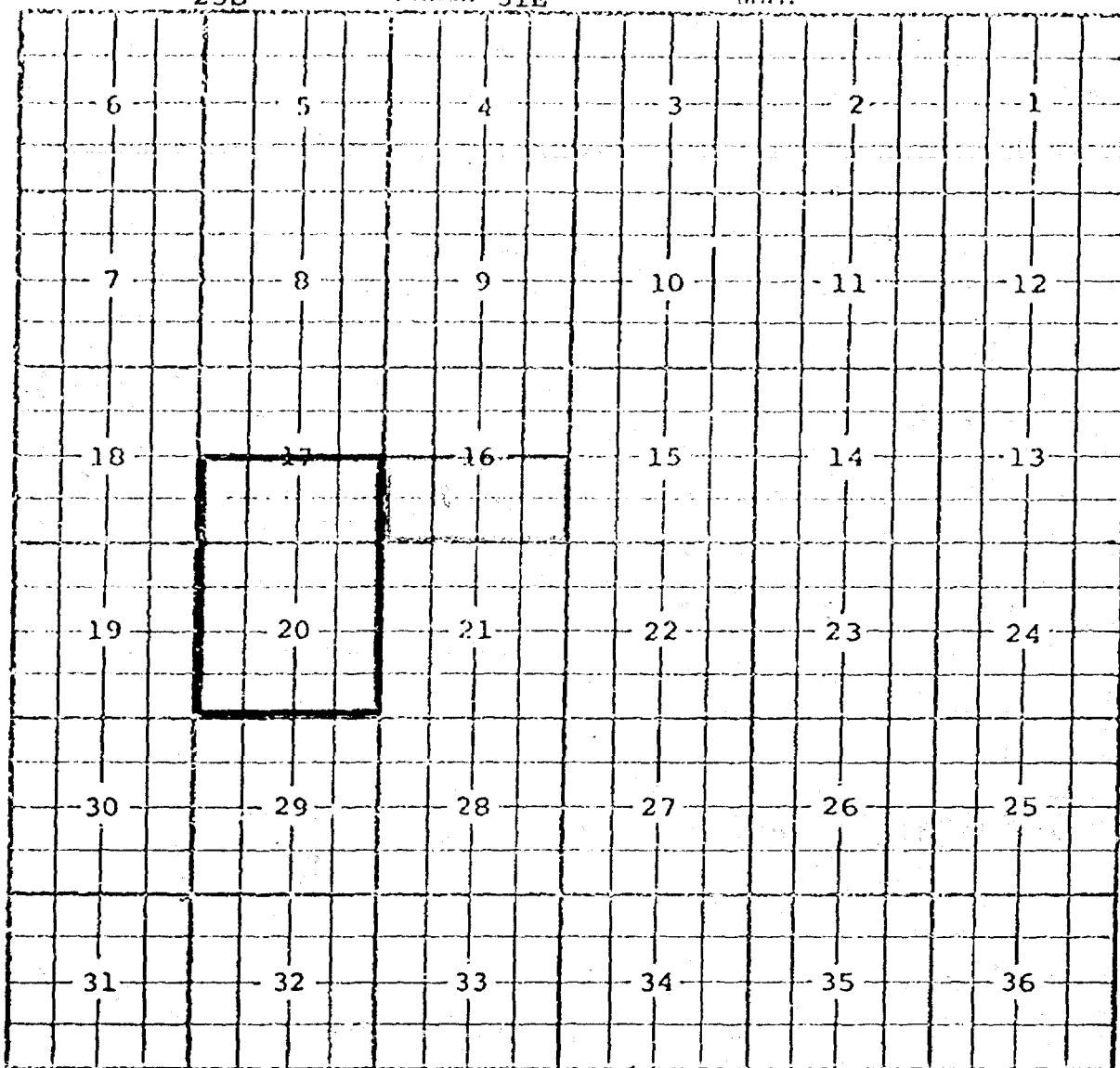
COUNTY Eddy

POOL West Sand Dunes-Atoka Gas

TOWNSHIP 23S

RANGE 31E

MM



Purpose: One completed gas well capable of producing

Operator

Lease

#&Ut. S. T. R.

Coquina Oil Corp.

Pure Gold B. Fed.

1-0

20-23-31

Comp.

Form

TOP

2/12/82

Atoka

13590

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 17:S/2

Section 20:

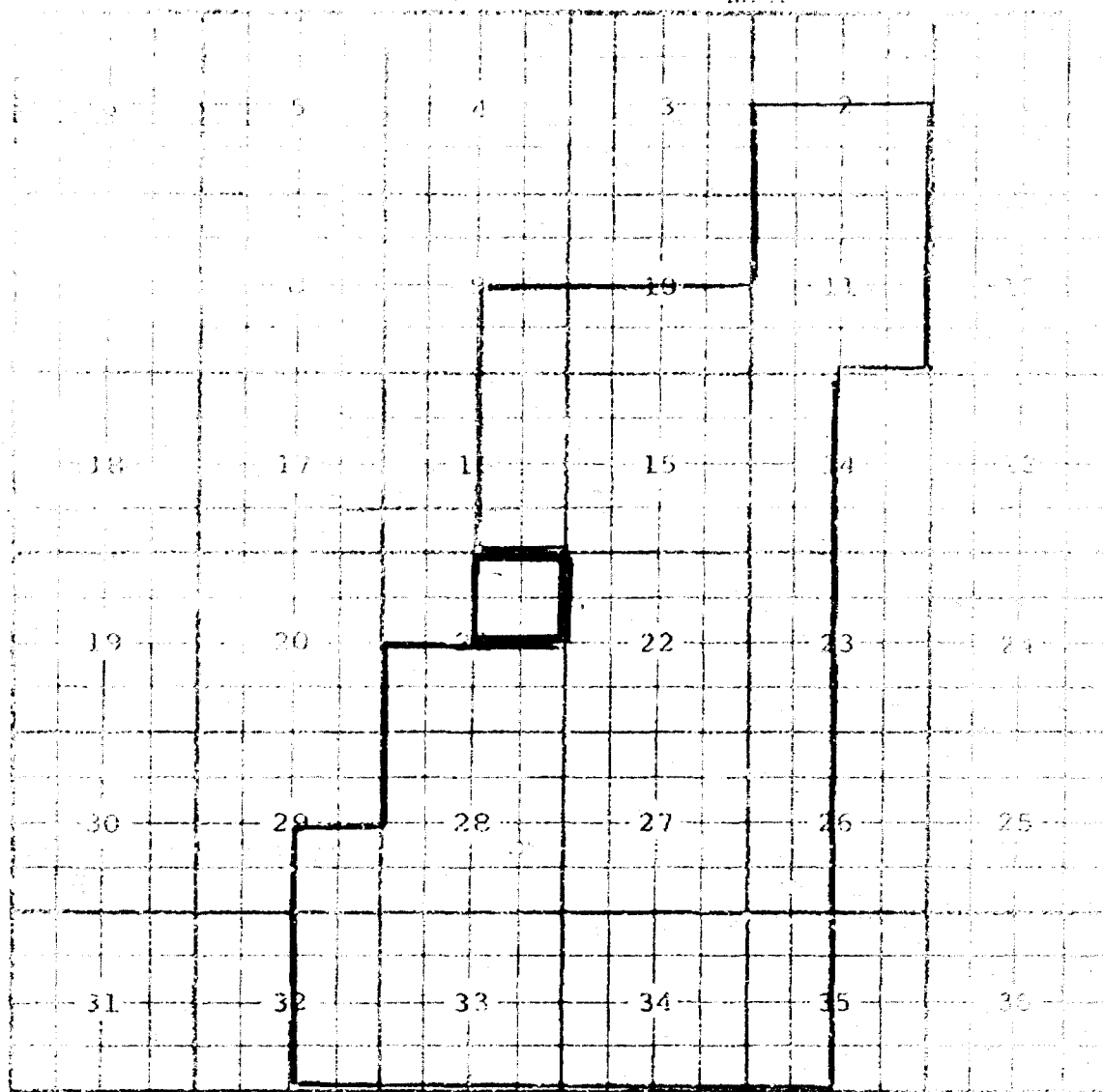
LEA

SAUNDERS PERMO UPPER PENNSYLVANIAN

14 South

33 East

WPM



PURPOSE: One completed oil well capable of producing.

Yates Petroleum Corp. Woodpecker SY State #1-A in 21-14-33, completed April 12, 1982, in the Permo-Penn. Top perf 9005 feet

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 21: NE/4

Dockets Nos. 31-82 and 32-82 are tentatively set for September 29 and October 13, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING WEDNESDAY-SEPTEMBER 15, 1982

9 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for October, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7638: (Continued and Readvertised)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Cibola Energy Corporation, American Employers Insurance Company and all other interested parties to appear and show cause why the Simms Ranch Well No. 1, located in Unit N, Section 9, the Clyde Berlier Well No. 1, located in Unit K and the Clyde Berlier Well No. 2, located in Unit F, both in Section 21, the Mora Ranch Well No. 3 located in Unit M and the Mora Ranch Well No. 4, located in Unit M, both in Section 5, all in Township 21 North, Range 21 East, Mora County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7637: (Continued from August 18, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit R.A.F. Enterprises, Fireman's Fund Insurance Company and all other interested parties to appear and show cause why the Shaw Well No. 1, located in Unit M, Section 18, Township 4 North, Range 8 East, Torrance County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7635: (Continued from September 1, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit CO₂-In-Action, Travelers Indemnity and all other interested parties to appear and show cause why the Trigg Well No. 3 located in Unit J, Section 25, Township 15 North, Range 28 East, San Miguel County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7636: (Continued from September 1, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit CO₂-In-Action, Travelers Indemnity and all other interested parties to appear and show cause why the Amistad No. 1 located in Unit E of Section 18, and the Amistad No. 2 located in Unit D of Section 7, both in Township 19 North, Range 36 East, Union County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7673: Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Almost Texas Unit Area, comprising 3,840 acres, more or less, of State and Federal lands in Township 26 South, Range 31 East.

CASE 7664: (Continued from September 1, 1982, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Little Cuevo Unit Area, comprising 13,407 acres, more or less, of State and Federal lands in Township 17 South, Range 18 East.

CASE 7674: Application of Trican Energy, Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Javalina Basin Unit Area, comprising 3,840 acres, more or less, of State and Federal lands in Township 25 South, Range 34 East.

CASE 7675: Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Justis Blinbry, Justis Tubb-Drinkard, and Justis Devonian production in the wellbore of its G. L. Erwin "A" Federal Well No. 2 located in Unit K, Section 35, Township 24 South, Range 37 East.

- CASE 7676: Application of Tenneco Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the perforated interval from 4970 feet to 4982 feet in its Jennings Fed. Well No. 3 located in Unit A of Section 14, Township 24 South, Range 32 East.
- CASE 7677: Application of Anadarko Production Company for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Teas Yates Waterflood Project by converting two wells located in Unit F of Sections 13 and 14, Township 27 South, Range 33 East and drilling three new injection wells at unorthodox locations in Units M of Section 11 and Unit L of Section 13, Township 20 South, Range 33 East, and Unit E of Section 18, Township 20 South, Range 34 East.
- CASE 7678: Application of Phillips Petroleum Company for a pressure maintenance project, Lea County, New Mexico. Applicant in the above-styled cause, seeks authority to institute a pressure maintenance project in the Vacuum Grayburg-San Andres Pool by the injection of water into the Grayburg San Andres formation through eight injection wells to be drilled at unorthodox locations in Section 35, Township 17 South, Range 34 East, as follows: 2630 feet from the South line and 1330 feet from the West line; 2630 feet from the South and West lines; 2630 feet from the South line and 1330 feet from the East line; 1310 feet from the South line and 1330 feet from the West line; 1310 feet from the South line and 10 feet from the East line; 10 feet from the South line and 1310 feet from the East line; 1330 feet from the North line and 1310 feet from the West line; and 1330 feet from the North line and 10 feet from the West line. Applicant also proposes two production wells at unorthodox locations in said Section 35 as follows: 1310 feet from the South line and 2630 feet from the East line and 1310 feet from the South and East lines.
- CASE 7630: (Continued from September 1, 1982, Examiner Hearing - This Case will be Dismissed)
Application of Ralph Nix for an oil treating plant permit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SW/4 NE/4 of Section 18, Township 19 South, Range 26 East.
- CASE 7679: (Continued from September 1, 1982, Examiner Hearing)
Application of Texas Eastern Developments, Inc. for an exception to Rule 307, San Juan County, New Mexico. Applicant in the above-styled cause, seeks an exception to Rule 307 of the Division Rules and Regulations to permit it to draw a vacuum on the Shiprock Gallup Oil Pool reservoir through 16 wells in Sections 16 and 17, Township 29 North, Range 18 West. Applicant further seeks an administrative procedure whereby it could extend the proposed vacuum system to include additional wells in the same reservoir.
- CASE 7679: Application of C & K Petroleum, Inc. for the amendment of Order No. R-4857-A and for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-4857-A to provide that the lands pooled by said order shall be the W/2 SE/4 of Section 27, Township 16 South, Range 37 East, dedicated to its Ship 27 Well No. 2 located in Unit O in said Section 27. Applicant further seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 SE/4 of the aforesaid Section 27, to be dedicated to a well to be drilled in Unit P of said Section 27. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 7680: Application of Unichem International, Inc. for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit the commercial disposal of produced brine into several unlined surface pits located in Section 11, Township 23 South, Range 29 East.
- CASE 7681: Application of Cibola Energy Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of an Ordovician gas well to be drilled 330 feet from the North line and 990 feet from the East line of Section 13, Township 9 South, Range 27 East, the E/2 of said Section 13 to be dedicated to the well.

Examiner Hearing - WFLNESDAY - SEPTEMBER 15, 1982

CASE 7682: Application of Cibola Energy Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Mississippian gas well drilled 330 feet from the North line and 330 feet from the West line of Section 34, Township 11 South, Range 28 East, the W/2 of said Section 34 to be dedicated to the well.

CASE 7683: Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gallup formation underlying the E/2 SE/4 of Section 12, Township 29 North, Range 15 West, to be dedicated to a well drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7684: Application of R. E. Lauritsen for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gallup and Dakota formations underlying the W/2 of Section 11, Township 29 North, Range 15 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7685: Application of Cimarron Energy Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian test to be drilled 1980 feet from the South line and 660 feet from the West line of Section 34, Township 22 South, Range 28 East, the S/2 of said Section 34 to be dedicated to the well.

CASES 7528 and 7529: (Continued and Readvertised)

Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the following two cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

CASE 7528: NW/4 Section 4, Township 5 South, Range 24 East

CASE 7529: NE/4 Section 4, Township 5 South, Range 24 East

(Continued from September 1, 1982, Examiner Hearing)

CASES 7666, 7667, 7668, and 7669: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the four following cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

CASE 7666: SW/4 Section 3;

CASE 7667: NW/4 Section 4;

CASE 7668: NW/4 Section 14;

All of the above being in Township 5 South, Range 24 East and

CASE 7669: NW/4 Section 2, Township 9 South, Range 25 East.

CASE 7670: (Continued from September 1, 1982, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 26, Township 14 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7652: (Continued from August 16, 1982, Examiner Hearing)

Application of Conoco Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cisco formation underlying all of partial Sections 34 and 35, Township 20 1/2 South, Range 23 East, underlying a previously approved 688-acre non-standard proration unit, to be dedicated to a well at a previously approved unorthodox location which is to be re-entered. Also to be considered will be the cost of re-entering said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in re-entering said well.

CASE 7672: (Continued from September 1, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning discovery allowable, contracting, and extending certain pools in Chaves, Eddy, Lea and Roosevelt Counties, New Mexico:

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Brushy Canyon production and designated as the Brushy Draw-Brushy Canyon Pool. Further, to assign approximately 25,410 barrels of discovery allowable to the discovery well, the J. C. Williamson UCBHW Federal Well No. 1 located in Unit M of Section 25, Township 26 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 25: SW/4

- (b) CREATE a new pool in Lea County, New Mexico classified as an oil pool for San Andres production and designated as the Hobbs Channel-San Andres Pool. The discovery well is the Bass Enterprises Production Company Humble City Unit Well No. 1 located in Unit D of Section 36, Township 17 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 36: NW/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Humphreys Mill-Morrow Gas Pool. The discovery well is the Florida Exploration Company Reno Com Well No. 1 located in Unit D of Section 11, Township 25 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 35 EAST, NMPM
Section 11: N/2

- (d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the Justis-Abo Pool. The discovery well is the Santa Fe Energy Company Carlson B-25 Federal Well No. 3 located in Unit O of Section 25, Township 25 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 25: SE/4

- (e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the McMillan-Upper Pennsylvanian Gas Pool. The discovery well is the Southland Royalty Company Pecos River Federal 20 Com Well No. 1 located in Unit J of Section 20, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 20: E/2

- (f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Mosley Canyon-Strawn Gas Pool. The discovery well is W. A. Moncrief, Jr., Jurnegan State Well No. 1 located in Unit C of Section 8, Township 24 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM
Section 8: N/2

- (g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the West Nadine-Tubb Pool. The discovery well is the Tamarack Petroleum Company, Inc. Kornegay A Well No. 1 located in Unit F of Section 9, Township 20 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 9: NW/4

- (h) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Pitchfork Ranch-Morrow Gas Pool. The discovery well is the HNG Oil Company Madero 32 State Com Well No. 1 located in Unit C of Section 32, Township 24 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 32: N/2

- (i) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Yeso production and designated as the Seven Rivers-Yeso Pool. The discovery well is Chama Petroleum Corporation Irami Federal Well No. 1 located in Unit N of Section 34, Township 19 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 34: SW/4

- (j) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the East Skaggs-Abo Pool. The discovery well is the Texaco Inc. Ch. H. Weir A Well No. 12 located in Unit G of Section 12, Township 20 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 12: NE/4

- (k) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the Teague-Tubb Pool. The discovery well is the Alpha Twenty-One Production Company Lea Well No. 2 located in Unit A of Section 17, Township 23 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 17: NE/4

- (l) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the Townsend-Devonian Pool. The discovery well is the Kimbark Oil and Gas Company New Mexico 1-4 State Com Well No. 1 located in Unit N of Section 4, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: Lots 11, 12, 13, and 14

- (m) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Welch-Bone Spring Pool. The discovery well is the Quannah Petroleum, Inc. Ray B Federal Com Well No. 1 located in Unit K of Section 9, Township 26 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM
Section 9: SW/4

- (n) CONTRACT the horizontal limits of the Buckeye-Abo Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: W/2 NW/4

Examiner Hearing - WEDNESDAY - SEPTEMBER 15, 1982

- (o) CONTRACT the horizontal limits of the Vacuum-Abo Reef Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: E/2 NW/4

- (p) EXTEND the Antelope Sink-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM
Section 13: N/2
Section 14: N/2

- (q) EXTEND the West Arkansas Junction-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 20: NW/4

- (r) EXTEND the Atcka-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 26: E/2

- (s) EXTEND the Bilbrey-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 5: NW/4
Section 6: E/2

- (t) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 14: N/2 S/2 and NE/4

- (u) EXTEND the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 3: S/2
Section 4: All

- (v) EXTEND the Comanche Stateline Tansill-Yates-Seven Rivers-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 26: NW/4
Section 27: NE/4 and E/2 NW/4

- (w) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 35: S/2
Section 36: W/2

- (x) EXTEND the South Empire-Wolfcamp Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 36: E/2 NE/4

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 31: NW/4 and S/2 NE/4

- (y) EXTEND the Forty Niner Ridge-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 16: SE/4

- (z) EXTEND the Hardy-Tubb Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 2: Lots 11, 12, 13, 14, and S/2
Section 11: NW/4

- (aa) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 20: NW/4

- (bb) EXTEND the West Milnesand-Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM
Section 19: W/2

- (cc) EXTEND the South Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM
Section 30: SE/4
Section 31: N/2 NE/4

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM
Section 15: S/2

- (dd) EXTEND the Race Track-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM
Section 18: NE/4 and S/2 SE/4

- (ee) EXTEND the Ross Draw-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM
Section 23: S/2
Section 26: N/2

- (ff) EXTEND the West Sand Dunes-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 17: S/2
Section 20: All

- (gg) EXTEND the Saunders Fermo-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 21: NE/4

DOCKET: COMMISSION HEARING - WEDNESDAY - SEPTEMBER 22, 1982

OIL CONSERVATION COMMISSION-MORGAN HALL - 9 A.M.
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases were continued from the August 26, 1982, Commission Hearing:

CASE 7656: Application of Cities Service Company for determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, pursuant to the provisions of Section 70-2-17 C, NMSA, 1978 Comp., and Paragraph (5) of Division Order No. R-6781, seeks a determination of reasonable well costs for two wells drilled under the provisions of said Order No. R-6781 by Doyle Hartman on lands pooled by said order.

CASE 7657: Application of Harvey E. Yates Company for non-rescission of Order No. R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the non-rescission of Order No. R-6873, which order pooled certain lands to be dedicated to a proposed Ordovician test well to be drilled thereon, being the W/2 of Section 18, Township 9 South, Range 27 East. Said order provided that should the unit well not be drilled to completion, or abandonment, within 120 days after commencement thereof, operator shall appear and show cause why the pooling order should not be rescinded.

CASE 7658: (Readvertised)

Application of Harvey E. Yates Company for a dual completion and downhole commingling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Seymour State No. 1 located in Section 18, Township 9 South, Range 27 East, in such a manner that Abo perforations from 4912 feet to 4929 feet would be commingled with Upper Atoka perforations from 5926 feet to 5952 feet and the aforesaid intervals dually completed with Lower Atoka perforations from 6008 feet to 6048 feet and produced through parallel strings of tubing.

Dockets Nos. 29-82 and 30-82 are tentatively set for September 15 and September 29, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - THURSDAY - AUGUST 26, 1982

OIL CONSERVATION COMMISSION - 9 A.M.
MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

- CASE 7656:** Application of Cities Service Company for determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, pursuant to the provisions of Section 70-2-17 C, NMSA, 1978 Comp., and Paragraph (5) of Division Order No. R-6781, seeks a determination of reasonable well costs for two wells drilled under the provisions of said Order No. R-6781 by Doyle Hartman on lands pooled by said order.
- CASE 7657:** Application of Harvey E. Yates Company for non-rescission of Order No. R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the non-rescission of Order No. R-6873, which order pooled certain lands to be dedicated to a proposed Ordovician test well to be drilled thereon, being the W/2 of Section 18, Township 9 South, Range 27 East. Said order provided that should the unit well not be drilled to completion, or abandonment, within 120 days after commencement thereof, operator shall appear and show cause why the pooling order should not be rescinded.
- CASE 7658:** Application of Harvey E. Yates Company for a dual completion and downhole commingling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Seymour State #1 located in Section 18, Township 9 South, Range 27 East, in such a manner that also perforations from 4912 feet to 4929 feet would be commingled with Upper Atoka perforations from 5926 feet to 5952 feet and the aforesaid intervals dually completed with Lower Atoka perforations from 6008 feet to 6048 feet and produced through parallel strings of tubing.

Docket No. 28-82

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 1, 1982

OIL CONSERVATION DIVISION - 9 A.M., MORGAN HALL,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 7635: (Continued from August 18, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit CO₂-In-Action, Travelers Indemnity and all other interested parties to appear and show cause why the Trigg Well No. 3 located in Unit J, Section 25, Township 15 North, Range 28 East, San Miguel County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7636: (Continued from August 18, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit CO₂-In-Action, Travelers Indemnity and all other interested parties to appear and show cause why the Amistad No. 1 located in Unit E of Section 18, and the Amistad No. 2 located in Unit D of Section 7, both in Township 19 North, Range 36 East, Union County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7659: Application of Sun Exploration and Production Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian gas well drilled 660 feet from the North and West lines of Section 21, Township 7 South, Range 26 East, the W/2 of said Section 21 to be dedicated to the well.

CASE 7660: Application of Pauley Petroleum, Inc. for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 3862 feet to 3874 feet in its State Well No. 1 located in Unit B of Section 16, Township 7 South, Range 33 East.

CASE 7661: Application of George Sardella and Gary Plemons for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the NW/4 NW/4 of Section 33, Township 16 South, Range 33 East.

CASE 7633: (Continued from August 4, 1982, Examiner Hearing)

Application of Ralph Mix for an oil treating plant permit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SW/4 NE/4 of Section 18, Township 19 South, Range 26 East.

CASE 7662: Application of Carter Foundation Production Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Bline-Cade Waterflood Project by converting its Mattix Federal Wells Nos. 2, 5, 6, located in Units C, E, and D, respectively, in Section 3, Township 24 South, Range 37 East, by the injection of water into the Queen formation.

CASE 7639: (Continued from August 18, 1982 Examiner Hearing)

Application of Accma Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Wantz Abo, Drinkard and Blinabry Pool production in the wellbore of its S. J. Starkeys Lease Well No. 2, located in Unit B of Section 26, Township 21 South, Range 37 East.

CASE 7663: Application of Dugan Production Corporation for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the S/2 of Section 18, Township 30 North, Range 14 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7568: (Continued and Readvertised)

Application of Petroleum Corp. of Delaware for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Superior Federal Well No. 6 located in Unit N of Section 6, Township 20 South, Range 29 East, East Burton Flat Field, to produce oil from the Strawn formation through the casing-tubing annulus and gas from the Morrow formation through tubing.

CASE 7651: (Continued from August 18, 1982, Examiner Hearing)

Application of Mortex Gas & Oil Company for the amendment of Order No. R-6903, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6903 to provide that non-consenting working interest owners shall have thirty days following final adjudication of title in which to pay their proportionate share of well costs.

CASE 7664: Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Little Cuevo Unit Area, comprising 13,407 acres, more or less, of State and Fee lands in Township 17 South, Range 18 East.

CASE 7655: (Continued from August 18, 1982 Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down through the Abo formation underlying the NW/4 of Section 20, Township 7 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7665: Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mississippian formation underlying the N/2 of Section 35, Township 13 South, Range 34 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASES 7666, 7667, 7668, and 7669: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the four following cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

CASE 7666: SW/4 Section 3;

CASE 7667: NW/4 Section 4;

CASE 7668: NW/4 Section 14;

All of the above being in Township 5 South, Range 24 East and

CASE 7669: NW/4 Section 2, Township 9 South, Range 25 East

CASE 7670: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 26, Township 14 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7648: (Continued from August 18, 1982 Examiner Hearing)

Application of Rio Pecos Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp to the base of the Pennsylvanian formation underlying the W/2 of Section 35, Township 18 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7642: Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the Jalmat Pool, underlying a previously approved 120-acre non-standard proration unit comprising the S/2 NE/4 and NE/4 NE/4 of Section 20, Township 25 South, Range 37 East, to be dedicated to a well to be drilled at a previously approved unorthodox location. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7671: Application of Texas Eastern Developments, Inc. for an exception to Rule 307, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 307 of the Division Rules and Regulations to permit it to draw a vacuum on the Shiprock Gallup Oil Pool reservoir through 16 wells in Sections 16 and 17, Township 29 North, Range 18 West. Applicant further seeks an administrative procedure whereby it could extend the proposed vacuum system to include additional wells in the same reservoir.

CASE 7649: Application of Southern Union Exploration Company for retroactive exemption, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the retroactive exemption from Section 5 of the New Mexico Natural Gas Pricing Act of the following Basin Dakota infill wells: Jicarilla A No. 13-E in Unit N of Section 13 and Jicarilla A No. 10-E in Unit G of Section 23, both in Township 26 North, Range 4 West, and Jicarilla K No. 15-E in Unit A of Section 1, Township 25 North, Range 5 West, all in Rio Arriba County, and the Hodges No. 15-E in Unit J of Section 27, Township 26 North, Range 8 West in San Juan County. Also the following Ballard-Pictured Cliffs replacement well in San Juan County: Newsom No. 10-R in Unit M of Section 20, Township 26 North, Range 8 West. Each of the aforesaid wells was subject to the New Mexico Natural Gas Pricing Act until exempted from same by the Division on July 23, 1982, and applicant seeks the retroactive exemption of each of said wells to date of first delivery into the pipeline which ranges from December 24, 1980 to January 11, 1982.

CASE 7672: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning discovery allowable, contracting, and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Brushy Canyon production and designated as the Brushy Draw-Brushy Canyon Pool. Further, to assign approximately 25,410 barrels of discovery allowable to the discovery well, the J. C. Williamson UCBHW Federal Well No. 1 located in Unit M of Section 25, Township 26 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 25: SW/4

- (b) CREATE a new pool in Lea County, New Mexico classified as an oil pool for San Andres production and designated as the Hobbs Channel-San Andres Pool. The discovery well is the Bass Enterprises Production Company Humble City Unit Well No. 1 located in Unit D of Section 36, Township 17 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 36: NW/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Humphreys Mill-Morrow Gas Pool. The discovery well is the Florida Exploration Company Reno Com Well No. 1 located in Unit D of Section 11, Township 25 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 35 EAST, NMPM
Section 11: N/2

- (d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the Justis-Abo Pool. The discovery well is the Santa Fe Energy Company Carlson B-25 Federal Well No. 3 located in Unit O of Section 25, Township 25 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 25: SE/4

- (e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the McMillan-Upper Pennsylvanian Gas Pool. The discovery well is the Southland Royalty Company Pecos River Federal 20 Com Well No. 1 located in Unit J of Section 20, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 20: E/2

- (f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Mosley Canyon-Strawn Gas Pool. The discovery well is W. A. Moncrief, Jr., Jurnegan State Well No. 1 located in Unit C of Section 8, Township 24 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM
Section 8: W/2

- (g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the West Nadine-Tubb Pool. The discovery well is the Tamarack Petroleum Company, Inc. Kornegay A Well No. 1 located in Unit F of Section 9, Township 20 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 9: NW/4

- (h) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Pitchfork Ranch-Morrow Gas Pool. The discovery well is the HMG Oil Company Madera 32 State Com Well No. 1 located in Unit C of Section 32, Township 24 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 32: W/2

- (i) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Yaso production and designated as the Seven Rivers-Yaso Pool. The discovery well is Chama Petroleum Corporation Irami Federal Well No. 1 located in Unit N of Section 34, Township 19 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 34: SW/4

- (j) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the East Skaggs-Abo Pool. The discovery well is the Texaco Inc. C. H. Weir A Well No. 12 located in Unit G of Section 12, Township 20 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 12: NE/4

- (k) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the Teague-Tubb Pool. The discovery well is the Alpha Twenty-One Production Company Lea Well No. 2 located in Unit A of Section 17, Township 23 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 17: NE/4

Examine: Hearing -SEPTEMBER 1, 1982

- (l) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the Townsend-Devonian Pool. The discovery well is the Kimbark Oil and Gas Company New Mexico 1-4 State Com Well No. 1 located in Unit N of Section 4, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: Lots 11, 12, 13, and 14

- (m) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Welch-Bone Spring Pool. The discovery well is the Quanah Petroleum, Inc. Hay B Federal Com Well No. 1 located in Unit K of Section 9, Township 26 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM
Section 9: SW/4

- (n) CONTRACT the horizontal limits of the Buckeye-Abo Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: W/2 NW/4

- (o) CONTRACT the horizontal limits of the Vacuum-Abo Reef Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: E/2 NW/4

- (p) EXTEND the Antelope Sink-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM
Section 13: N/2
Section 14: N/2

- (q) EXTEND the West Arkansas Junction-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 20: NW/4

- (r) EXTEND the Atoka-Yezo Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 26: E/2

- (s) EXTEND the Bilhrey-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 5: NW/4
Section 6: E/2

- (t) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 14: N/2 S/2 and NE/4

- (u) EXTEND the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 25 EAST, NMPM
Section 3: S/2
Section 4: All

- (v) EXTEND the Comanche Stateline Tansill-Yates-Seven Rivers-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 26: NW/4
Section 27: NE/4 and E/2 NW/4

- (w) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 35: S/2
Section 36: W/2

- (x) EXTEND the South Empire-Wolfcamp Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 36: E/2 NE/4

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 31: NW/4 and S/2 NE/4

- (y) EXTEND the Forty Niner Ridge-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 16: SE/4

- (z) EXTEND the Hardy-Tubb Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 2: Lots 11, 12, 13, 14, and S/2
Section 11: NW/4

- (aa) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 20: NW/4

- (bb) EXTEND the West Milresand-Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM
Section 19: W/2

- (cc) EXTEND the South Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM
Section 30: SE/4
Section 31: W/2 NE/4

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM
Section 15: S/2

- (dd) EXTEND the Race Track-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 29 EAST, NMPM
Section 18: NE/4 and S/2 SE/4

- (ee) EXTEND the Ross Draw-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM
Section 23: S/2
Section 26: W/2

- (ff) EXTEND the West Sand Dunes-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 17: S/2
Section 20: All

- (gg) EXTEND the Saunders Farms-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 21: NE/4

NOMENCLATURE ADVERTISEMENT FOR SEPTEMBER, 1982

In the matter of the application of the Oil Conservation Division of the Energy and Minerals Department upon its own motion for an order for the creation of new pools in Eddy and Lea Counties, New Mexico, the assignment of a discovery allowable for a new pool in Eddy County, New Mexico, the contraction of certain existing pools in Lea County, New Mexico, and the extension of certain existing pools in Chaves, Eddy, Lea, and Roosevelt County, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to appear and show cause why such creations, discovery allowable assignment, contractions, and extensions should not be made.

(a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Brushy Canyon production and designated as the Brushy Draw-Brushy Canyon Pool. Further, to assign approximately 25,410 barrels of discovery allowable to the discovery well, the J. C. Williamson UCBHWW Federal Well No. 1 located in Unit M of Section 25, Township 26 South, Range 29 East, NMPM. Said pool would comprise:

- TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 25: SW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Hobbs Channel-San Andres Pool. The discovery well is the Bass Enterprises Production Company Humble City Unit Well No. 1 located in Unit D of Section 36, Township 17 South, Range 37 East, NMPM. Said pool would comprise:

- TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM ✓
Section 36: NW/4

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Humphreys Mill-Morrow Gas Pool. The discovery well is the Florida Exploration Company Reno Com Well No. 1 located in Unit D of Section 11, Township 25 South, Range 35 East, NMPM. Said pool would comprise:

- TOWNSHIP 25 SOUTH, RANGE 35 EAST, NMPM ✓
Section 11: N/2

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the Justis-Abo Pool. The discovery well is the Santa Fe Energy Company Carlson B-25 Federal Well No. 3 located in Unit 0 of Section 25, Township 25 South, Range 37 East, NMPM. Said pool would comprise:

- TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM ✓
Section 25: SE/4

(e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the McMillan-Upper Pennsylvanian Gas Pool. The discovery well is the Southland Royalty Company Pecos River Federal 20 Com Well No. 1 located in Unit J of Section 20, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

- TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM ✓
Section 20: W/2

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Mosley Canyon-Strawn Gas Pool. The discovery well is W.A. Moncrief, Jr., Jurnegan State Well No. 1 located in Unit C of Section 8, Township 24 South, Range 25 East, NMPM. Said pool would comprise:

- TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM ✓
Section 8: N/2

(g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the West Nadine-Tubb Pool. The discovery well is the Tamarack Petroleum Company, Inc. Kornegay A Well No. 1 located in Unit F of section 9, Township 20 South, Range 38 East, NMPM. Said pool would comprise:

- TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM ✓
Section 9: NW/4

Nomenclature Advertisement for September, 1982

(h) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Pitchfork Ranch-Morrow Gas Pool. The discovery well is the HNG Oil Company Madera 32 State Com Well No. 1 located in Unit C of Section 32, Township 24 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 32: N/2

(i) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Yeso production and designated as the Seven Rivers-Yeso Pool. The discovery well is Chama Petroleum Corporation Irami Federal Well No. 1 located in Unit N of Section 34, Township 19 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 34: SW/4

(j) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the East Skaggs-Abo Pool. The discovery well is the Texaco Inc. C. H. Weir A Well No. 12 located in Unit G of Section 12, Township 20 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 12: NE/4

(k) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the Teague-Tubb Pool. The discovery well is the Alpha Twenty-One Production Company Lea Well No. 2 located in Unit A of Section 17, Township 23 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 17: NE/4

(l) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the Townsend-Devonian Pool. The discovery well is the Kimbark-Oil and Gas Company New Mexico 1-4 State Com Well No. 1 located in Unit N of Section 4, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: Lots 11, 12, 13, and 14

(m) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Welch-Bone Spring Pool. The discovery well is the Quanah Petroleum, Inc., Hay B Federal Com Well No. 1 located in Unit K of Section 9, Township 26 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM
Section 9: SW/4

(n) CONTRACT the horizontal limits of the Buckeye-Abo Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: W/2 NW/4

(o) CONTRACT the horizontal limits of the Vacuum-Abo Reef Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: E/2 NW/4

(p) EXTEND the Antelope Sink-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM
Section 13: N/2
Section 14: N/2

Nomenclature Advertisement for September, 1982

(q) EXTEND the West Arkansas Junction-San Andres Pool in Lea County, New Mexico, to include therein:

- TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 20: NW/4

(r) EXTEND the Atoka-Yeso Pool in Eddy County, New Mexico, to include therein:

- TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 26: E/2

(s) EXTEND the Bilbrey-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 5: NW/4
Section 6: E/2

(t) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

- TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 14: N/2 S/2 and NE/4

(u) EXTEND the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

- TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 3: S/2
Section 4: All

(v) EXTEND the Comanche Stateline-Tansill-Yates-Pool in Lea County, New Mexico, to include therein:

Seven Rivers-Queen
TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 26: NW/4
Section 27: NE/4 and E/2 NW/4

(w) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

- TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 35: S/2
Section 36: W/2

(x) EXTEND the South Empire-Wolfcamp Pool in Eddy County, New Mexico, to include therein:

- TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 36: E/2 NE/4

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 31: NW/4 and S/2 NE/4

(y) EXTEND the Forty Niner Ridge-Bone Spring Pool in Eddy County, New Mexico, to include therein:

- TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 16: SE/4

(z) EXTEND the Hardy-Tubb Pool in Lea County, New Mexico, to include therein:

- TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 2: Lots 11, 12, 13, 14, and S/2
Section 11: NW/4

(aa) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

- TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 20: NW/4

(bb) EXTEND the West Milnesand-Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:

- TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM
Section 19: W/2

(cc) EXTEND the South Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:

Nomenclature Advertisement for September, 1982

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM

Section 30: SE/4

Section 31: N/2 NE/4

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM

Section 15: S/2

(dd) EXTEND the Race Track-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM ✓

Section 18: NE/4 and S/2 SE/4

(ee) EXTEND the Ross Draw-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM ✓

Section 23: S/2

Section 26: N/2

(ff) EXTEND the West Sand Dunes-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM

Section 17: S/2

Section 20: All

(gg) EXTEND the Saunders/Permo-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

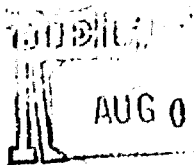
TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM ✓

Section 21: NE/4

OIL CONSERVATION DIVISION

ARTESIA, NEW MEXICO

DISTRICT II



AUG 03 1982

NOMENCLATURE ADVERTISEMENT FOR SEPTEMBER, 1982

OIL CONSERVATION DIVISION
SANTA FE

- (A) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Brushy Canyon production and designated as the Brushy Draw-Brushy Canyon Pool, further to assign approximately 25,410 barrels of discovery allowable to the discovery well. The discovery well is J.C. Williamson-UCBHW Federal #1 located in Unit M of Section 25, Township 26 South, Range 29 East NMPM.
Said pool would comprise:
- Township 26 South, Range 29 East NMPM
Section 25: SW/4
- (B) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Penn production and designated as the McMillan-Upper Penn Gas Pool. The discovery well is Southland Royalty Co.-Pecos River Federal 20 Com #1 located in Unit J of Section 20, Township 19 South, Range 27 East NMPM.
Said pool would comprise:
- Township 19 South, Range 27 East NMPM
Section 20: W/2
- (C) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Mosley Canyon-Strawn Gas Pool. The discovery well is W.A. Moncreif Jr.-Jurnegan State #1 located in Unit C of Section 8, Township 24 South, Range 25 East NMPM.
- Township 24 South, Range 25 East NMPM
Section 8: N/2
- (D) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Yeso production and designated as the Seven Rivers-Yeso Pool. The discovery well is Chama Petroleum Corp.-Irami Federal #1 located in Unit N of Section 34, Township 19 South, Range 25 East NMPM.
Said pool described as:
- Township 19 South, Range 25 East NMPM
Section 34: SW/4
- (E) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Welch-Bone Spring Pool. The discovery well is Quanah Petroleum Inc.-Hay B Federal Com #1 located in Unit K of Section 9, Township 26 South, Range 27 East NMPM.
Said pool described as:
- Township 26 South, Range 27 East NMPM
Section 9: SW/4
- (F) Extend the Antelope Sink-Upper Penn Gas Pool in Eddy County, New Mexico, to include therein:
- Township 19 South, Range 23 East NMPM
Section 13: N/2
Section 14: N/2
- (G) Extend the Atoka-Yeso Pool in Eddy County, New Mexico, to include therein:
- Township 18 South, Range 26 East NMPM
Section 26: E/2
- ~~(H) Extend the East Bitter Lakes Abo Gas Pool in Chaves County, New Mexico, to include therein.~~
- ~~Township 9 South, Range 26 East NMPM
Section 30: E/2~~

- (I) Extend the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

Township 16 South, Range 31 East NMPM
Section 14: N/2 S/2 and NE/4

- (J) Extend the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

Township 20 South, Range 25 East NMPM
Section 3: S/2
Section 4: All

- (K) Extend the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

Township 17 South, Range 28 East NMPM
Section 35: S/2
Section 36: W/2

- (L) Extend the South Empire-Wolfcamp Pool in Eddy County, New Mexico, to include therein:

Township 17 South, Range 28 East NMPM
Section 36: E/2 NE/4

Township 17 South, Range 29 East NMPM
Section 31: NW/4 and S/2 NE/4

- (M) Extend the Forty Niner Ridge-Bone Spring Pool in Eddy County, New Mexico, to include therein:

Township 23 South, Range 30 East NMPM
Section 16: SE/4

- ~~(N) Extend the Penjack Abo Gas Pool in Chaves County, New Mexico, to include therein:~~

~~Township 9 South, Range 25 East NMPM
Section 36: SW/4~~

- (O) Extend the Race Track-San Andres Pool in Chaves County, New Mexico, to include therein:

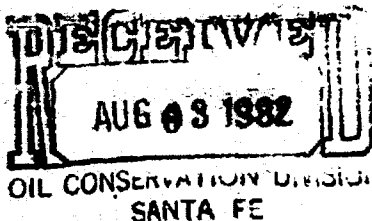
Township 10 South, Range 28 East NMPM
Section 18: NE/4 and S/2 SE/4

- (P) Extend the Ross Draw-Wolfcamp Gas Pool in Eddy County, New Mexico to include therein:

Township 26 South, Range 30 East NMPM
Section 23: S/2
Section 26: N/2

- (Q) Extend the West Sand Dunes-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

Township 23 South, Range 31 East NMPM
Section 17: S/2
Section 20: All



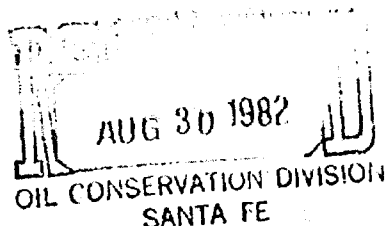
STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7672
ORDER NO. R-76726

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN ORDER CREATING,
ASSIGNING A DISCOVERY ALLOWABLE, CONTRACTING, AND
EXTENDING CERTAIN POOLS IN CHAVES, EDDY, LEA, AND
ROOSEVELT COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION



BY THE DIVISION:

This cause came on for hearing at 9:00 a.m. September 1, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of September, 1982, the Division Director having considered the testimony, the record, the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof:
- (2) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Brushy Canyon formation. Said pool to bear the designation of Brushy Draw-Brushy Canyon Pool. Further, that there is need for the assignment of a discovery allowable of 25,410 barrels to the discovery well the J. C. Williamson UCBHWW Federal Well No. 1 located in Unit M of Section 25, Township 26 South, Range 29 East, NMPM. It was completed in the Brushy Canyon formation on June 23, 1982. The top of the perforations is at 5,082 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 San Andres formation. Said pool to bear the designation of Hobbs Channel-San Andres Pool. Said Hobbs Channel-San Andres Pool was discovered by the Bass Enterprises Production Company Humble City Unit Well No. 1 located in Unit D of Section 36, Township 17 South, Range 37 East, NMPM. It was completed June 22, 1982, in the San Andres formation. The top of the perforations is at 7,049 feet.
- (4) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Morrow formation. Said pool to bear the designation of Humphreys Mill-Morrow Gas Pool. Said Humphreys Mill-Morrow Gas Pool was discovered by the Florida Exploration Company Reno Com Well No. 1 located in Unit D of Section 11, Township 25 South, Range 35 East, NMPM. It was completed May 9, 1982, in the Morrow formation. The top of the perforations is at 15,260 feet.
- (5) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Abo formation. Said pool to bear the designation of Justis-Abo Pool. Said Justis-Abo Pool was discovered by the Santa Fe Energy Company Carlson B-25 Fed Well No. 3 located in Unit O of Section 25, Township 25 South, Range 37 East, NMPM. It was completed April 21, 1982, in the Abo formation. The top of the perforations is at 6,182 feet.
- (6) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Upper Pennsylvanian formation. Said pool to bear the designation of McMillan-Upper Pennsylvanian Gas Pool. Said McMillan-Upper Pennsylvanian Gas Pool was discovered by the Southland Royalty Company Pecos River Federal 30 Com Well No. 1 located in Unit J of Section 20, Township 19 South, Range 27 East, NMPM. It was completed May 24, 1980, in the Upper Pennsylvanian formation. The top of the perforations is at 8,186 feet.

(7) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Strawn formation. Said pool to bear the designation of Mosley Canyon-Strawn Gas Pool. Said Mosley Canyon-Strawn Gas Pool was discovered by the W. A. Moncrief, Jr. Jurnegan State Well No. 1 located in Unit C of Section 8, Township 24 South, Range 25 East, NMPM. It was completed February 15, 1982, in the Strawn formation. The top of the perforations is at 9,684 feet.

(8) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Tubb formation. Said pool to bear the designation of West Nadine-Tubb Pool. Said West Nadine-Tubb Pool was discovered by the Tamarack Petroleum Company, Inc. Kornegay A Well No. 1 located in Unit F of Section 9, Township 20 South, Range 38 East, NMPM. It was completed March 24, 1982, in the Tubb formation. The top of the perforations is at 6,460 feet.

(9) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Morrow formation. Said pool to bear the designation of Pitchfork Ranch-Morrow Gas Pool. Said Pitchfork Ranch-Morrow Gas Pool was discovered by the HNG Oil Company Madera 32 State Com Well No. 1 located in Unit C of Section 32, Township 24 South, Range 34 East, NMPM. It was completed April 7, 1982, in the Morrow formation. The top of the perforations is at 14,723 feet.

(10) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Yeso formation. Said pool to bear the designation of Seven Rivers-Yeso Pool. Said Seven Rivers-Yeso Pool was discovered by the Chama Petroleum Corporation Irami-Fed. Well No. 1 located in Unit N of Section 34, Township 19 South, Range 25 East, NMPM. It was completed April 24, 1982, in the Yeso formation. The top of the perforations is at 2,408 feet.

(11) That there is need that the proposed creation of a new oil pool in Lea County, New Mexico, to be designated as the East Skaggs-Abo Pool be dismissed. The revised gas-oil ratio of the discovery well, the Texaco Inc. C. H. Weir A Well No. 12 located in Unit G of Section 12, Township 20 South, Range 37 East, NMPM, indicates the well should be reclassified to a gas well.

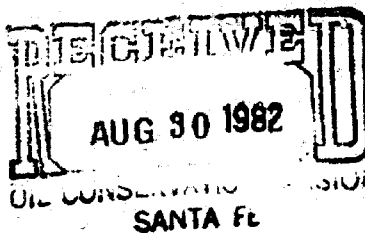
(12) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Tubb formation. Said pool to bear the designation of Teague-Tubb Pool. Said Teague-Tubb Pool was discovered by the Alpha Twenty-One Production Company Lea Well No. 2 located in Unit A of Section 17, Township 23 South, Range 37 East, NMPM. It was completed March 17, 1982, in the Tubb formation. The top of the perforations is at 6,138 feet.

(13) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Devonian formation. Said pool to bear the designation of Townsend-Devonian Pool. Said Townsend-Devonian Pool was discovered by the Kimbark Oil and Gas Company New Mexico 1-4 State Com Well No. 1 located in Unit N of Section 4, Township 16 South, Range 35 East, NMPM. It was completed April 19, 1982, in the Devonian formation. The top of the perforations is at 13,100 feet.

(14) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Bone Spring formation. Said pool to bear the designation of Welch Bone Spring Pool. Said Welch Bone Spring Pool was discovered by the Quanah Petroleum, Inc. Hay B Federal Com Well No. 1 located in Unit K of Section 9, Township 26 South, Range 27 East, NMPM. It was completed March 31, 1982, in the Bone Spring formation. The top of the perforations is at 6,100 feet.

(15) That there is need for the contraction of the horizontal limits of the Buckeye-Abo Pool in Lea County, New Mexico, to correct an overlap with the Vacuum-Abo Reef Pool.

(16) That there is need for the contraction of the horizontal limits of the Vacuum-Abo Reef Pool in Lea County, New Mexico, to correct an overlap with the Buckeye-Abo Pool.



(17) That there is need for certain extensions to the Race Track-San Andres Pool in Chaves County, New Mexico, and the Antelope Sink-Upper Pennsylvanian Gas Pool, the Atoka-Yeso Pool, the Bunker Hill-Penrose Pool, the Cemetery-Morrow Gas Pool, the South Empire-Morrow Gas Pool, the South Empire-Wolfcamp Pool, the Forty Niner Ridge-Bone Spring Pool, the Ross Draw-Wolfcamp Gas Pool, and the Sand Dunes-Atoka Gas Pool, all in Eddy County, New Mexico, and the West Arkansas Junction-San Andres Pool, the Bilbrey-Morrow Gas Pool, the Comanche Stateline-Tansill-Yates-Seven Rivers-Queen Pool, the Hardy-Tubb Pool, the Northeast Lovington-Pennsylvanian Pool, the Saunders Permo-Upper Pennsylvanian Pool, all in Lea County, New Mexico, and the West Milnesand-Pennsylvanian Pool, and the South Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Eddy County, New Mexico, classified as an oil pool for Brushy Canyon production is hereby created and designated as the Brushy Draw-Brushy Canyon Pool, consisting of the following described area:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 25: SW/4

Further, that the discovery well for said Brushy Draw-Brushy Canyon Pool, being the J. C. Williamson UCBHW Federal Well No. 1 located in Unit M of Section 25, Township 26 South, Range 29 East, NMPM, is hereby assigned a bonus discovery allowable in the amount of 25,410 barrels to be produced over a two-year period.

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

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 36: NW/4

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

TOWNSHIP 25 SOUTH, RANGE 35 EAST, NMPM
Section 11: N/2

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

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 25: SE/4

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

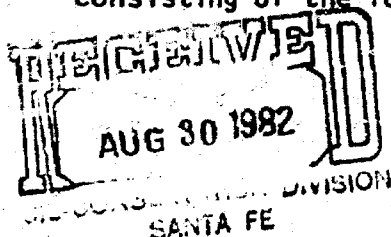
TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 20: E/2

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

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM
Section 8: N/2

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 9: NW/4



(h) That a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production is hereby created and designated as the Pitchfork Ranch-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 32: N/2

(i) That a new pool in Eddy County, New Mexico, classified as an oil pool for Yeso production is hereby created and designated as the Seven Rivers-Yeso Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 34: SW/4

(j) That the creation of a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the East Skaggs-Abo Pool consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 12: NE/4

is hereby dismissed.

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

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 17: NE/4

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

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: Lots 11, 12, 13, and 14

(m) That a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production is hereby created and designated as the Welch-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM
Section 9: SW/4

(n) That the horizontal limits of the Buckeye-Abo Pool in Lea County, New Mexico, as heretofore defined, are hereby contracted by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: W/2 NW/4

(o) That the horizontal limits of the Vacuum-Abo Reef Pool in Lea County, New Mexico, as heretofore defined, are hereby contracted by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: E/2 NW/4

(p) That the Antelope Sink-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

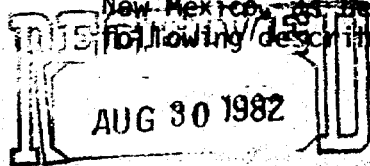
TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM
Section 13: N/2
Section 14: N/2

(q) That the West Arkansas Junction-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 20: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 26: E/2



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

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 5: NW/4

Section 6: E/2

(t) That the Bunker Hill-Penrose Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM

Section 14: N/2 S/2 and NE/4

(u) That the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM

Section 3: S/2

Section 4: All

(v) That the Comanche Stateline Tansill-Yates-Seven Rivers-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM

Section 26: NW/4

Section 27: NE/4 and E/2 NW/4

(w) That the South Empire-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 35: S/2

Section 36: W/2

(x) That the South Empire-Wolfcamp Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 36: E/2 NE/4

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM

Section 31: NW/4 and S/2 NE/4

(y) That the Forty Niner Ridge-Bone Spring Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM

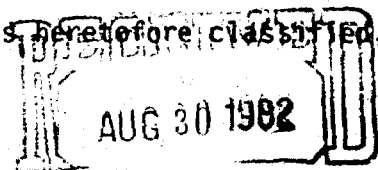
Section 16: SE/4

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

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Section 2: Lots 11, 12, 13, 14, and S/2

Section 11: NW/4



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

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Section 20: NW/4

(bb) That the West Milnesand-Pennsylvanian Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM

Section 19: W/2

(cc) That the South Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM

Section 30: SE/4

Section 31: N/2 NE/4

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM

Section 15: S/2

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

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM

Section 18: NE/4 and ^{N/2} SE/4

(ee) That the Ross Draw-Wolfcamp Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM

Section 23: S/2

Section 26: N/2

(ff) That the West Sand Dunes-Atoka Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM

Section 17: S/2

Section 20: All

(gg) That the Saunders Permo-Upper Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM

Section 21: NE/4

IT IS FURTHER ORDERED:

(1) That pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well which by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Division. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of the allowable.

(2) That the effective date of this order and all creations, discovery allowable assignments, contractions, and extensions included therein shall be October 1, 1982.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY
Director

SEAL

