

*Entered March 17, 1966
C.S.P.*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 3384
Order No. R-3050
NOMENCLATURE

APPLICATION OF SHELL OIL COMPANY
FOR THE CREATION OF TWO GAS POOLS
AND FOR SPECIAL POOL RULES, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 16, 1966, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of March, 1966, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the Antelope Ridge-Morrow Pennsylvanian Gas Pool, created and defined by Orders Nos. R-2692 and R-2911, comprises the NE/4 of Section 4, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico, with vertical limits from 11,854 feet to 13,840 feet.

(3) That the applicant, Shell Oil Company, seeks the abolishment of the Antelope Ridge-Morrow Pennsylvanian Gas Pool and the creation of the Antelope Ridge-Atoka Gas Pool, with horizontal limits comprising the N/2 of said Section 4 and vertical limits from 12,092 feet to 12,854 feet, and the creation of the Antelope Ridge-Morrow Gas Pool, with horizontal limits comprising

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the N/2 of said Section 4 and vertical limits from 12,854 feet to 13,840 feet.

(4) That the applicant proposes that the Antelope Ridge-Atoka Gas Pool and the Antelope Ridge-Morrow Gas Pool be governed by the acreage and well location requirements of Rule 104 C II (a) of the Commission Rules and Regulations.

(5) That the Antelope-Ridge Morrow Pennsylvanian Gas Pool encompasses more than one separate common source of supply and should be abolished.

(6) That each of the proposed gas pools encompasses a separate common source of supply.

(7) That the Antelope Ridge-Morrow Gas Pool and the Antelope Ridge-Atoka Gas Pool should be created with vertical and horizontal limits as proposed by the applicant.

(8) That the subject gas pools should be governed by the acreage and well location requirements of Rule 104 C II (a) of the Commission Rules and Regulations in order to prevent waste and protect correlative rights.

(9) That the applicant's Antelope Ridge Unit Well No. 2 located 660 feet from the North line and 1650 feet from the East line of Section 4, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico, does not conform to the well location requirements of Rule 104 C II (a) of the Commission Rules and Regulations.

(10) That the location of the applicant's Antelope Ridge Unit Well No. 2 should be approved in order to prevent the drilling of unnecessary wells and to otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the Antelope Ridge-Morrow Pennsylvanian Gas Pool is hereby abolished.

(2) That a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production, is hereby created and designated the Antelope Ridge-Atoka Gas Pool, with vertical limits comprising the Atoka zone of the Pennsylvanian formation in the interval from

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12,092 feet to 12,854 feet on the log of Antelope Ridge Unit Well No. 2, and horizontal limits comprising the N/2 of Section 4, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) That a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production, is hereby created and designated the Antelope Ridge-Morrow Gas Pool, with vertical limits comprising the Morrow zone of the Pennsylvanian formation in the interval from 12,854 feet to 13,840 feet on the log of Antelope Ridge Unit Well No. 2, and horizontal limits comprising the N/2 of Section 4, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

(4) That the Antelope Ridge-Atoka Gas Pool and the Antelope Ridge-Morrow Gas Pool shall be governed by the acreage and well location requirements for 320-acre wells of Rule 104 C II (a) of the Commission Rules and Regulations.

(5) That the location of the Shell Oil Company Antelope Ridge Unit Well No. 2 located 660 feet from the North line and 1650 feet from the East line of Section 4, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico, is hereby approved.

(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


GUYTON B. HAYS, Member


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

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