

*Entered November 16, 1972
C. 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. 4864
Order No. R-4437

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on November 14, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of November, 1972, 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 there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Canyon formation, said pool to bear the designation of South Carlsbad-Canyon Gas Pool. Said South Carlsbad-Canyon Gas Pool was discovered by the Phillips Petroleum Company Drag B Well No. 1, located in Unit K of Section 18, Township 23 South, Range 27 East, NMPM. It was completed in the Canyon formation on August 7, 1972. The top of the perforations is at 10,280 feet.
- (3) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Hat Mesa-Morrow Gas Pool. Said Hat Mesa-Morrow Gas Pool was discovered by the Phillips Petroleum Company Hat Mesa Well No. 1, located in Unit G of Section 11, Township 21 South, Range 32 East, NMPM. It was completed in the Morrow formation on December 7, 1967. The top of the perforations is at 13,656 feet.

(4) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Rocky Arroyo-Morrow Gas Pool. Said Rocky Arroyo-Morrow Gas Pool was discovered by the El Paso Natural Gas Company Rocky Arroyo Well No. 1, located in Unit J of Section 8, Township 22 South, Range 22 East, NMPM. It was completed in the Morrow formation on November 10, 1971. The top of the perforations is at 8,956 feet.

(5) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Wolfcamp formation, said pool to bear the designation of Rocky Arroyo-Wolfcamp Gas Pool. Said Rocky Arroyo-Wolfcamp Gas Pool was discovered by the El Paso Natural Gas Company Rocky Arroyo Well No. 1, located in Unit J of Section 8, Township 22 South, Range 22 East, NMPM. It was completed in the Wolfcamp formation on November 10, 1971. The top of the perforations is at 6,563 feet.

(6) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Atoka and Morrow formations, said pool to bear the designation of South Sand Dunes-Lower Pennsylvanian Gas Pool. Said South Sand Dunes-Lower Pennsylvanian Gas Pool was discovered by the El Paso Natural Gas Company Sundance Federal Well No. 1, located in Unit F of Section 4, Township 24 South, Range 31 East, NMPM. It was completed in the Atoka and Morrow formations on June 22, 1972. The top of the perforations is at 13,691 feet.

(7) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Winchester-Morrow Gas Pool. Said Winchester-Morrow Gas Pool was discovered by the Penroc Oil Corporation Dero Federal Well No. 1, located in Unit P of Section 35, Township 19 South, Range 28 East, NMPM. It was completed in the Morrow formation on June 20, 1972. The top of the perforations is at 10,769 feet.

(8) That there is need for certain extensions to the Buffalo Valley-Pennsylvanian Gas Pool, the East Chisum-San Andres Pool, and the Haystack-Cisco Gas Pool, all in Chaves County, New Mexico, the South Carlsbad-Morrow Gas Pool, the Grayburg-Jackson Pool, the Penasco Draw San Andres-Yeso Pool, the Red Lake Queen-Grayburg-San Andres Pool, the Shugart Pool, the Washington Ranch-Morrow Gas Pool, and the White City-Pennsylvanian Gas Pool, all in Eddy County, New Mexico, the Blinbry Gas Pool, the North Eunice-San Andres Gas Pool, the East Shoe Bar-Devonian Pool, and the West Tres Papalotes-Pennsylvanian Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 18: S/2

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

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 11: E/2

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

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM
Section 8: E/2
Section 17: N/2

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

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM
Section 8: SE/4

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

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM
Section 4: N/2

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

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 35: S/2

(g) That the Blinebry Gas 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 25: SW/4

(h) That the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM
Section 7: S/2
Section 18: N/2

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

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 18: S/2

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

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 16: NW/4 NE/4

(k) That the North Eunice-San Andres Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 17: NW/4
Section 18: NE/4

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

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 7: SE/4

(m) That the Haystack-Cisco Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 6 SOUTH, RANGE 27 EAST, NMPM
Section 9: All
Section 16: N/2

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(n) That the Penasco Draw San Andres-Yeso Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 5: SW/4
Section 6: S/2

(o) That the Red Lake Queen Grayburg-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 23: SE/4 NW/4, NE/4 SW/4, and
N/2 SE/4
Section 24: SE/4 and N/2 SW/4

(p) That the East Shoe Bar-Devonian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM
Section 29: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 36: NW/4

(r) That the West Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
Section 30: NE/4

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

TOWNSHIP 26 SOUTH, RANGE 24 EAST, NMPM
Section 2: W/2
Section 11: All

(t) That the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 32: All

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IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, 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 Commission. 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 Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

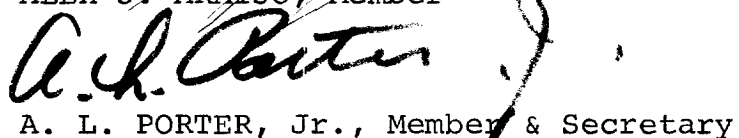
(2) That the effective date of this order and all creations and extensions included herein shall be December 1, 1972.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

S E A L

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