

Entered March 11, 1975
A.L.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. 5430
Order No. R-4969

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on March 5, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 11th day of March, 1975, 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 Atoka formation, said pool to bear the designation of Avalon-Atoka Gas Pool. Said Avalon-Atoka Gas Pool was discovered by the Atlantic Richfield Company State BR Well No. 1, located in Unit K of Section 16, Township 21 South, Range 26 East, NMPM. It was completed in the Atoka formation on October 18, 1974. The top of the perforations is at 10,104 feet.
- (3) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of Southeast Bagley-Wolfcamp Pool. Said Southeast Bagley-Wolfcamp Pool was discovered by the Anderson Oil & Gas Company, Inc. Hess State Well No. 1, located in Unit L of Section 34, Township 11 South, Range 33 East, NMPM. It was completed in the Wolfcamp formation on December 9, 1974. The top of the perforations is at 8627 feet.

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(4) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of South Flying "M"-Atoka Gas Pool. Said South Flying "M"-Atoka Gas Pool was discovered by the Phillips Petroleum Company Marg "A" Com Well No. 1, located in Unit K of Section 25, Township 9 South, Range 32 East, NMPM. It was completed in the Atoka formation on October 29, 1974. The top of the perforations is at 10,571 feet.

(5) 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 North Pearl-Morrow Gas Pool. Said North Pearl-Morrow Gas Pool was discovered by the Dorchester Exploration, Inc. Henry Record Well No. 1, located in Unit I of Section 26, Township 19 South, Range 35 East, NMPM. It was completed in the Morrow formation on November 12, 1974. The top of the perforations is at 12,529 feet.

(6) That there is need for the abolishment of the Arrowhead-Drinkard Pool in Lea County, New Mexico, because all of the acreage included in said pool is now non-productive.

(7) That there is need for the contraction of the vertical limits of the South Flying "M"-Pennsylvanian Pool in Lea County, New Mexico, to include only the Bough formations and redesignate said South Flying "M"-Pennsylvanian Pool as the South Flying "M"-Bough Pool.

(8) That there is need for certain extensions to the Atoka-Pennsylvanian Gas Pool, the Burton Flat-Morrow Gas Pool, the Cemetary-Morrow Gas Pool, the South Empire-Morrow Gas Pool, the Forty Niner Ridge-Morrow Gas Pool, the Kennedy Farms-Morrow Gas Pool, and the Red Lake-Pennsylvanian Gas Pool, all in Eddy County, New Mexico, the Blinebry Oil and Gas Pool, the La Rica-Morrow Gas Pool, and the Tubb Gas Pool, all in Lea County, New Mexico, the Bluitt-Wolfcamp Gas Pool and the Todd-Wolfcamp Pool, both in Roosevelt County, New Mexico.

(9) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Wolfcamp formation, said pool to bear the designation of Fairview Mills-Wolfcamp Gas Pool. Said Fairview Mills-Wolfcamp Gas Pool was discovered by the Exxon Corporation Fairview Mills-Federal Well No. 1, located in Unit O of Section 14, Township 25 South, Range 34 East, NMPM. It was completed in the Wolfcamp formation on December 30, 1974. The top of the perforations is at 13,797 feet.

IT IS THEREFORE ORDERED:

(a) That a new pool in Eddy County, New Mexico, classified

as a gas pool for Atoka production, is hereby created and designated as the Avalon-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
SECTION 16: S/2

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

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
SECTION 34: SW/4

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

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
SECTION 25: S/2

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

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
SECTION 26: S/2

(e) That the Arrowhead-Drinkard Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 36: SW/4

is hereby abolished.

(f) That the Drinkard 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 36: SE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
SECTION 31: SW/4

(g) That the vertical limits of the South Flying "M"-Pennsylvanian Pool in Lea County, New Mexico, are hereby contracted to include only the Bough formations and said South Flying "M"-Pennsylvanian Pool is hereby redesignated the South Flying "M"-Bough Pool.

(h) That the Atoka-Pennsylvanian Gas 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 1: E/2
SECTION 12: E/2

(i) That the Blinebry Oil and 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 36: SE/4

(j) That the Bluitt-Wolfcamp Gas Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 7 SOUTH, RANGE 37 EAST, NMPM
SECTION 34: SW/4

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
SECTION 3: W/2
SECTION 10: NW/4

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

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
SECTION 15: All
SECTION 28: All

(l) That the Cemetary-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 7: E/2
SECTION 21: W/2

(m) 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 29 EAST, NMPM
SECTION 31: N/2

(n) That the Forty Niner Ridge-Morrow Gas 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 21: N/2

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

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
SECTION 27: N/2

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

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
SECTION 33: All

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

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

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

TOWNSHIP 7 SOUTH, RANGE 35 EAST, NMPM
SECTION 26: SW/4
SECTION 27: NE/4

(s) That the Tubb 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 2: SE/4

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

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM
SECTION 14: SE/4

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

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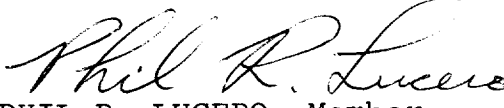
a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard 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, abolishments, contractions of vertical limits, and extensions of horizontal limits included herein shall be April 1, 1975.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman


PHIL R. LUCERO, Member


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

S E A L

jr/