

Entered June 9, 1980  
JMR

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. 6926  
Order No. R-6368

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 4, 1980,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of June, 1980, 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 for the creation of a new pool in  
Lea County, New Mexico, for the production of oil from the  
Pennsylvanian formation, said pool to bear the designation of  
Arkansas Junction-Pennsylvanian Pool. Said Arkansas Junction-  
Pennsylvanian Pool was discovered by the Rex Alcorn Bobbie Well  
No. 1Y located in Unit J of Section 20, Township 18 South, Range  
36 East, NMPM. It was completed in the Pennsylvanian formation  
on February 14, 1980. The top of the perforations is at 10,863  
feet.
- (3) That there is need for the creation of a new pool in  
Eddy County, New Mexico, for the production of oil from the  
Delaware formation, said pool to bear the designation of Avalon-  
Delaware Pool. Said Avalon-Delaware Pool was discovered by the

MWJ Producing Company State GW Well No. 1 located in Unit K of Section 16, Township 20 South, Range 29 East, NMPM. It was completed in the Delaware formation on October 14, 1979. The top of the perforations is at 4,560 feet.

(4) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of East Burton-Delaware Pool. Said East Burton-Delaware Pool was discovered by the J. C. Williamson TOG Federal Well No. 1 located in Unit F of Section 16, Township 20 South, Range 29 East, NMPM. It was completed in the Delaware formation on December 10, 1979. The top of the perforations is at 5,293 feet.

(5) 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 Dog Canyon-Strawn Gas Pool. Said Dog Canyon-Strawn Gas Pool was discovered by the Harvey E. Yates Company Gates Federal Deep Well No. 1 located in Unit P of Section 6, Township 17 South, Range 28 East, NMPM. It was completed in the Strawn formation on March 18, 1978. The top of the perforations is at 9,128 feet.

(6) That there is need for the creation of a new pool in Chaves County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of Double L-San Andres Pool. Said Double L-San Andres Pool was discovered by the McClellan Oil Corporation Mark Federal Well No. 1 located in Unit I of Section 30, Township 15 South, Range 30 East, NMPM. It was completed in the San Andres formation on May 29, 1979. The top of the perforations is at 3,487 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 Grayburg formation, said pool to bear the designation of Empire-Grayburg Gas Pool. Said Empire-Grayburg Gas Pool was discovered by the Carl A. Schellinger West Federal Well No. 1 located in Unit G of Section 14, Township 17 South, Range 27 East, NMPM. It was completed in the Grayburg formation on July 6, 1977. The top of the perforations is at 1,376 feet.

(8) 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 North Hume-Morrow Gas Pool. Said North Hume-Morrow Gas Pool was discovered by the Bass Enterprises Production Company Bass 36 State Well No. 1 located in Unit E of Section 36, Township 15 South, Range 34 East, NMPM. It was completed in the Morrow formation on November 30,

1979. The top of the perforations is at 12,045 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 Atoka formation, said pool to bear the designation of Lusk-Atoka Gas Pool. Said Lusk-Atoka Gas Pool was discovered by the Phillips Petroleum Company Lusk Deep Unit A Com Well No. 13 located in Unit K of Section 18, Township 19 South, Range 32 East, NMPM. It was completed in the Atoka formation on March 13, 1980. The top of the perforations is at 11,678 feet.

(10) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Milepost-Morrow Gas Pool. Said Milepost-Morrow Gas Pool was discovered by the Exxon Corporation Scheidt Federal Well No. 1 located in Unit L of Section 30, Township 26 South, Range 26 East, NMPM. It was completed in the Morrow formation on December 17, 1978. The top of the perforations is at 10,151 feet.

(11) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Turkey Track-Atoka Gas Pool. Said Turkey Track-Atoka Gas Pool was discovered by the Tenneco Oil Company State HL 11 Well No. 1 located in Unit N of Section 11, Township 19 South, Range 29 East, NMPM. It was completed in the Atoka formation on November 9, 1979. The top of the perforations is at 10,800 feet.

(12) That there is need for the contraction of the vertical limits of the East Grama Ridge-Bone Springs Pool to the interval from 10,472 feet to 10,900 feet, as found on type log for the Getty Oil Company State 35 Well No. 1 located in Unit K of Section 35, Township 21 South, Range 34 East, NMPM, and the redesignation of said pool as the East Grama Ridge-Lower Bone Springs Pool.

(13) That there is need for certain extensions to the Chaveroo-San Andres Pool and the Tomahawk-San Andres Pool, both in Chaves County, New Mexico, and the Atoka-Yeso Pool, the Burton Flat-Morrow Gas Pool, the Catclaw Draw-Morrow Gas Pool, the Crooked Creek-Morrow Gas Pool, the South Empire-Morrow Gas Pool, the Henshaw Queen-Grayburg-San Andres Pool, the Indian Flats-Delaware Pool, the Logan Draw-San Andres Pool, the Penasco Draw San Andres-Yeso Associated Pool, the East Red Lake Queen-Grayburg Pool, the North Shugart-Morrow Gas Pool, the Turkey Track Seven Rivers-Queen-Grayburg Pool, the Winchester-Morrow

Gas Pool, and the Winchester-Upper Pennsylvanian Gas Pool, all in Eddy County, New Mexico, and the Airstrip-Upper Bone Springs Pool, the Brunson-Fusselman Pool, the Buckeye-Abo Pool, the Cinta Roja-Morrow Gas Pool, the South Corbin-Strawn Pool, the South Corbin-Wolfcamp Pool, the East Grama Ridge-Morrow Gas Pool, the Hat Mesa-Morrow Gas Pool, the Hobbs-Drinkard Pool, the South Kemnitz Atoka-Morrow Gas Pool, the Middle Lynch Yates-Seven Rivers Pool, and the North Vacuum-Abo Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

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

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

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM  
Section 36: SW/4

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

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM  
Section 16: NW/4

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

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM  
Section 6: S/2

(e) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production is hereby created

and designated as the Double L-San Andres Pool, consisting of the following described area:

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM  
Section 30: SE/4

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

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM  
Section 14: NE/4

(g) 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 Hume-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM  
Section 36: W/2

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
Section 18: S/2

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

TOWNSHIP 26 SOUTH, RANGE 25 EAST, NMPM  
Section 36: N/2 N/2 and Lots 1, 2, 3,  
and 4

TOWNSHIP 26 SOUTH, RANGE 26 EAST, NMPM  
Section 30: S/2  
Section 31: N/2 NW/4 and Lots 3 and 4

(j) That a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production is hereby created and

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designated as the Turkey Track-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 10: E/2  
Section 11: S/2

(k) That the vertical limits of the East Grama Ridge-Bone Springs Pool in Lea County, New Mexico, as heretofore classified, defined, and described, are hereby contracted to the interval from 10,472 feet to 10,900 feet, and said pool is redesignated the East Grama Ridge-Lower Bone Springs Pool.

(l) That the Airstrip-Upper Bone Springs 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 25: W/2 SW/4  
Section 26: SE/4

(m) 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 33: NW/4 and N/2 S/2

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

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
Section 8: SE/4

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

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM  
Section 9: NW/4

(p) 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 21 SOUTH, RANGE 26 EAST, NMPM  
Section 13: W/2  
Section 14: E/2

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

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM  
Section 34: S/2

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM  
Section 2: Lots 1 through 8

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

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM  
Section 34: NE/4

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM  
Section 3: SW/4

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

TOWNSHIP 24 SOUTH, RANGE 35 EAST, NMPM  
Section 4: All

(t) That the South Corbin-Strawn Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM  
Section 29: N/2  
Section 30: N/2

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM  
Section 28: W/2

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

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

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(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 18 SOUTH, RANGE 29 EAST, NMPM  
Section 17: All

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

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM  
Section 12: W/2

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

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM  
Section 10: W/2

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

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM  
Section 11: SW/4 SW/4  
Section 14: S/2 and W/2 NW/4  
Section 15: E/2 SE/4

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

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM  
Section 4: SE/4

(bb) That the Indian Flats-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM  
Section 2: N/2 NE/4

(cc) That the South Kemnitz Atoka-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and



described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM  
Section 29: W/2

(dd) That the Logan Draw-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 19: N/2 NE/4 and SE/4 NE/4

(ee) That the Middle Lynch Yates-Seven Rivers Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM  
Section 21: E/2 SW/4

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

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM  
Section 31: SW/4

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

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM  
Section 25: S/2 S/2  
Section 26: S/2 SE/4 and SE/4 SW/4  
Section 36: N/2 NW/4

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

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM  
Section 17: S/2

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM  
Section 25: SE/4

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(jj) That the Turkey Track Seven Rivers-Queen-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 9: E/2 NE/4

(kk) That the North Vacuum-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM  
Section 17: NW/4

(ll) That the Winchester-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 1: E/2  
Section 3: All

(mm) That the Winchester-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 29 EAST, NMPM  
Section 30: W/2

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 allowable.

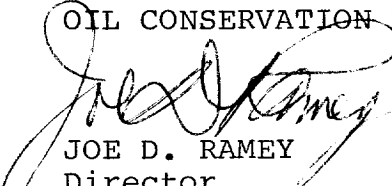
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(2) That the effective date of this order and all creations, contractions of vertical limits, and extensions of horizontal limits included herein shall be July 1, 1980.

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



JOE D. RAMEY  
Director

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