Entered March 3, 1100

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. 7493 Order No. R-6912

THE APPLICATION OF THE OIL CONSERVATION DIVISION UPON ITS OWN MOTION FOR AN ORDER CREATING 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 February 17, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 5th day of March, 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 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 East Bootleg Ridge-Morrow Gas Pool. Said East Bootleg Ridge-Morrow Gas Pool was discovered by the Getty Oil Company Getty 15 Federal Well No. 1 located in Unit J of Section 15, Township 22 South, Range 33 East, NMPM. It was completed in the Morrow formation on August 10, 1981. The top of the perforations is at 14,483 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 Devonian formation, said pool to bear the designation of North

-2-Case No. 7493 Order No. R-6912

King-Devonian Pool. Said North King-Devonian Pool was discovered by the Samedan Oil Corporation Speight Well No. 1 located in Unit B of Section 3, Township 13 South, Range 37 East, NMPM. It was completed in the Devonian formation on October 29, 1981. The top of the perforations is at 12,108 feet.

- (4) 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 North Loving-Atoka Gas Pool. Said North Loving-Atoka Gas Pool was discovered by the Gulf Oil Corporation Eddy GR State Well No. 1 located in Unit E of Section 16, Township 23 South, Range 28 East, NMPM. It was completed in the Atoka formation on April 25, 1979. The top of the perforations is at 11,945 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 Drinkard formation, said pool to bear the designation of Teague-Drinkard Pool. Said Teague-Drinkard Pool was discovered by the Alpha Twenty One Production Company Lea Well No. 1 located in Unit B of Section 17, Township 23 South, Range 37 East, NMPM. It was completed in the Drinkard formation on September 18, 1981. The top of the perforations is at 6466 feet.
- (6) That there is need for certain extensions to the Buffalo Valley-Pennsylvanian Gas Pool, the Elkins-San Andres Pool, the Race Track-San Andres Pool, the Railroad Mountain-San Andres Pool, and the Twin Lakes-San Andres Associated Pool, all in Chaves County, New Mexico, the West Atoka-Morrow Gas Pool, the Atoka-Pennsylvanian Gas Pool, the Avalon-Morrow Gas Pool, the Brushy Draw-Delaware Pool, the Crow Flats-Morrow Gas Pool, the South Culebra Bluff-Bone Spring Pool, the Empire-Abo Pool, the Henshaw Queen-Grayburg-San Andres Pool, the Indian Flats-Morrow Gas Pool, the Red Lake Queen-Grayburg-San Andres Pool, and the Turkey Track-Atoka Gas Pool, all in Eddy County, New Mexico, and the Brunson-Fusselman Pool, the Cary-Montoya Pool, the West Nadine-Blinebry Pool, and the West Sawyer-San Andres Pool, all in Lea County, New Mexico, and the Peterson-Mississippian Pool in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 22 SOUTH, RANGE 33 EAST, NMPM Section 15: S/2

-3-Case No. 7493 Order No. R-6912

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

TOWNSHIP 13 SOUTH, RANGE 37 EAST, NMPM Section 3: NE/4

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

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM Section 12: N/2

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM Section 4: S/2 Section 7: All Section 8: All Section 9: All Section 16: All Section 17: All Section 18: E/2

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

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

(e) That the West Atoka-Morrow Gas 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 23: All Section 24: W/2

(f) 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 16: W/2

-4-Case No. 7493 Order No. R-6912

(g) That the Avalon-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 2: Lots 1 through 8

(h) 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 5: SE/4

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

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM Section 26: E/2

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 27 EAST, NMPM Section 23: All Section 26: All

That the Cary-Montoya 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 4: W/2 SW/4

SE/4 Section 5: W/2 W/2 Section 9:

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

TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM Section 35: E/2 Section 36: W/2

-5-Case No. 7493 Order No. R-6912

(m) That the South Culebra Bluff-Bone Spring Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM Section 25: S/2 SW/4
Section 27: SW/4

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

TOWNSHIP 7 SOUTH, RANGE 28 EAST, NMPM Section 21: NE/4

(o) That the Empire-Abo 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 19: S/2 SW/4

(p) 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 31 EAST, NMPM Section 19: NE/4 NW/4

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM Section 26: W/2

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM Section 8: NW/4

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

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM Section 28: NW/4

-6-Case No. 7493 Order No. R-6912

(t) 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 7: S/2 SW/4
Section 18: NW/4, N/2 SW/4, and SW/4 SW/4

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

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM Section 2: NE/4 and E/2 NW/4

(v) 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 28 EAST, NMPM Section 7: S/2 Section 8: SW/4 Section 18: E/2 NW/4

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

TOWNSHIP 10 SOUTH, RANGE 37 EAST, NMPM Section 5: SW/4

(x) That the Turkey Track-Atoka 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 15: All

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

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM Section 13: SE/4 Section 24: NE/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM Section 12: S/2 NE/4

TOWNSHIP 9 SOUTH, RANGE 29 EAST, NMPM Section 7: S/2 Section 8: NW/4

-7-Case No. 7493 Order No. R-6912

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.
- (2) That the effective date of this order and all creations and extensions included therein shall be March 1, 1982.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

True

JOE D. RAMEY

Director

SEAL