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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. 7621
Order No. R-7030

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN ORDER
CREATING, ABOLISHING, AND EXTENDING
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 July 7, 1982,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 21st day of July, 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
Eddy County, New Mexico, for the production of gas from the
Wolfcamp formation, said pool to bear the designation of Big
Sinks-Wolfcamp Gas Pool. Said Big Sinks-Wolfcamp Gas Pool was
discovered by the Perry R. Bass Poker Lake Unit Well No. 50
located in Unit B of Section 4, Township 25 South, Range 31
East, NMPM. It was completed in the Wolfcamp formation on May
17, 1981. The top of the perforations is at 12,950 feet.

(3) 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 East Black
River-Atoka Gas Pool. Said East Black River-Atoka Gas Pool was
discovered by the Pogo Production Company MAW State Well No. 1
located in Unit E of Section 14, Township 24 South, Range 27
East, NMPM. It was completed in the Atoka formation on September
21, 1981. The top of the perforations is at 11,220 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 Morrow formation, said pool to bear the designation of Black River-Morrow Gas Pool. Said Black River-Morrow Gas Pool was discovered by the HNG Oil Company Loving 1 State Well No. 1 located in Unit B of Section 1, Township 24 South, Range 27 East, NMPM. It was completed in the Morrow formation on June 6, 1981. The top of the perforations is at 12,213 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 Morrow formation, said pool to bear the designation of Dog Town Draw-Morrow Gas Pool. Said Dog Town Draw-Morrow Gas Pool was discovered by the Perry R. Bass Poker Lake Unit Well No. 49 located in Unit E of Section 17, Township 24 South, Range 30 East, NMPM. It was completed in the Morrow formation on April 28, 1981. The top of the perforations is at 14,307 feet.

(6) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Yates formation, said pool to bear the designation of East Eumont-Yates Pool. Said East Eumont-Yates Pool was discovered by the Ike Lovelady, Inc. Linwood Well No. 1 located in Unit F of Section 30, Township 19 South, Range 38 East, NMPM. It was completed in the Yates formation on November 14, 1981. The top of the perforations is at 2,861 feet.

(7) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Bone Spring formation, said pool to bear the designation of Featherstone-Bone Spring Pool. Said Featherstone-Bone Spring Pool was discovered by The Superior Oil Company Featherstone Federal Well No. 1 located in Unit G of Section 21, Township 20 South, Range 35 East, NMPM. It was completed in the Bone Spring formation on November 16, 1981. The top of the perforations is at 10,086 feet.

(8) 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 Livingston Ridge-Atoka Gas Pool. Said Livingston Ridge-Atoka Gas Pool was discovered by the Perry R. Bass James Ranch Unit Well No. 12 located in Unit G of Section 21, Township 22 South, Range 30 East, NMPM. It was completed in the Atoka formation on January 9, 1981. The top of the perforations is at 12,665 feet.

(9) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Yates

formation, said pool to bear the designation of West Nadine-Yates Pool. Said West Nadine-Yates Pool was discovered by the Ike Lovelady, Inc. McNeill Well No. 1 located in Unit M of Section 33, Township 19 South, Range 38 East, NMPM. It was completed in the Yates formation on November 14, 1981. The top of the perforations is at 2,883 feet.

(10) That there is need for the abolishment of the South Rock Tank-Morrow Gas Pool in Eddy County, New Mexico, and production acreage will be placed in the Baldrige Canyon-Morrow Gas Pool.

(11) That there is need for certain extensions to the West Bitter Lakes-San Andres Pool, the Chaveroo-San Andres Pool, the Penjack-Abo Gas Pool, and the Race Track-San Andres Pool, all in Chaves County, New Mexico, and the Baldrige Canyon-Morrow Gas Pool, the East Carlsbad-Wolfcamp Gas Pool, the East Eagle Creek Atoka-Morrow Gas Pool, the Malaga-Atoka Gas Pool, the East Red Lake Queen-Grayburg Pool, and the Turkey Track-Atoka Gas Pool, all in Eddy County, New Mexico, and the East Mason-Delaware Pool, the West Sawyer-San Andres Pool, and the Scharb-Bone Spring 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 Wolfcamp production is hereby created and designated as the Big Sinks-Wolfcamp Gas Pool, consisting of the following described area:

TOWNSHIP 25 SOUTH, RANGE 31 EAST, NMPM
Section 4: N/2

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

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM
Section 14: W/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 Black River-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM
Section 1: N/2

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

TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM
Section 17: W/2

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

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 30: NW/4

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

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 21: NE/4

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

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 21: E/2

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

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 33: SW/4

(i) That the South Rock Tank-Morrow Gas Pool in Eddy County, New Mexico, consisting of the following described area:

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

is hereby abolished.

(j) That the Baldrige Canyon-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 1: W/2
Section 2: All
Section 14: S/2

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

TOWNSHIP 10 SOUTH, RANGE 25 EAST, NMPM
Section 17: NE/4 NE/4 and W/2 NE/4

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

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 21: All
Section 22: W/2

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

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM
Section 7: S/2
Section 8: SW/4
Section 18: SW/4

(n) That the East Eagle Creek Atoka-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 32: W/2

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

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 10: W/2

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

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 16: NW/4

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

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM
Section 31: SE/4
Section 32: All

(r) 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 20: SW/4

(s) 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 29 EAST, NMPM
Section 30: NW/4

(t) 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 3: NW/4

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

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 9: SW/4

(v) 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 18 SOUTH, RANGE 29 EAST, NMPM
Section 28: N/2

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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 the allowable.

(2) That the effective date of this order and all creations, abolishments, and extensions included herein shall be August 1, 1982.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

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