

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. 8791
Order No. R-8125

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING, CORRECTING, AND EXTENDING
HORIZONTAL LIMITS OF CERTAIN POOLS IN
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on December 18, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 14th day of January, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of Hobbs Channel-Wolfcamp Pool. Said Hobbs Channel-Wolfcamp Pool was discovered by the Harvey E. Yates Company Howry 25 Well No. 1 located in Unit E of Section 25, Township 17 South, Range 37 East, NMPM. It was completed in the Wolfcamp formation on August 12, 1985. The top of the perforations is at 10,054 feet.

(3) There is need for the correction of the location of the Johnson Ranch-Wolfcamp Gas Pool created by Order No. R-8747 from Range 32 to Range 33 due to an error in the original order.

(4) There is need for certain extensions to the South Corbin-Strawn Pool, the Double A-Abo Pool, the EK-Bone Spring Pool, the Hume-Morrow Gas Pool, the Lea-San Andres Pool, the

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Maljamar Grayburg-San Andres Pool, the Mescalero-Bone Spring Pool, the Pearl-Queen Pool, the Querecho Plains-Queen Associated Pool, the Reeves-Pennsylvanian Pool, the Saunders Permo-Upper Pennsylvanian Pool, the North Shoe Bar-Wolfcamp Pool, the Mid Vacuum-Devonian Pool, and the North Young-Bone Spring Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED THAT:

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

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 25: NW/4

(b) The description of the Johnson Ranch-Wolfcamp Gas Pool in Lea County, New Mexico, as shown in Division Order No. R-8747, is hereby corrected to read as follows:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 22: E/2

(c) 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 22: W/2

(d) The Lower Double A-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 21: NW/4

(e) The EK-Bone Spring 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 25: NW/4

(f) The Hume-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 7: N/2

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(g) The Lea-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM

Section 13: SE/4

Section 23: NW/4

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM

Section 18: W/2

(h) The Maljamar Grayburg-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM

Section 4: NW/4, N/2 SW/4, and
SE/4 SW/4

Section 9: E/2 NW/4

(i) The Mescalero Escarpe-Bone Spring 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 13: NW/4

Section 14: N/2

(j) The Pearl-Queen 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 10: SE/4

Section 15: NE/4

(k) The Querecho Plains-Queen Associated Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM

Section 21: SE/4

(l) The Reeves-Pennsylvanian 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 11: SE/4

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(m) The Saunders Permo-Upper Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 10: NW/4

(n) The North Shoe Bar-Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 13: NW/4

(o) The Mid-Vacuum-Devonian 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 16: W/2

(p) The North Young-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 5: SE/4
Section 8: NE/4

IT IS FURTHER ORDERED THAT:

(1) 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) The effective date of this order and all creations,

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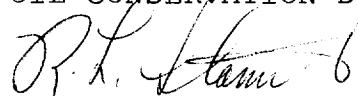
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corrections, and extensions included herein shall be February 1, 1986.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



R. L. STAMETS
Director

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