

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 10783  
Order No. R-9937

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on July 29, 1993, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 17th day of August, 1993, 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 Delaware formation, said pool to bear the designation of Bilbrey-Delaware Pool. Said Bilbrey-Delaware Pool was discovered by the Manzano Oil Corporation Anderson Well No. 1 located in Unit L of Section 35, Township 21 South, Range 32 East, NMPM. It was completed in the Delaware formation on February 4, 1993. The top of the perforations is at 8,657 feet.

(3) 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 North Diamondtail-Atoka Gas Pool. Said North Diamondtail-Atoka Gas Pool was discovered by the Pogo Producing Company Red Tank 34 Federal Well No. 1 located in Unit B of Section 34, Township 22 South, Range 32 East, NMPM. It was completed in the Atoka formation on January 22, 1993. The top of the perforations is at 13,969 feet.

(4) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Abo formation, said pool to bear the designation of Eight Mile Draw-Abo Pool. Said Eight Mile Draw-Abo Pool was discovered by the Yates

Petroleum Corporation Internorth ADG State Well No. 1 located in Unit A of Section 25, Township 11 South, Range 34 East, NMPM. It was completed in the Abo formation on March 15, 1993. The top of the perforations is at 9,117 feet.

(5) 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 Northwest Jenkins-Atoka Gas Pool. Said Northwest Jenkins-Atoka Gas Pool was discovered by the Bright and Company Apache Well No. 1 located in Unit E of Section 5, Township 9 South, Range 34 East, NMPM. It was completed in the Atoka formation on March 3, 1993. The top of the perforations is at 10,998 feet.

(6) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of North Legg-Delaware Pool. Said North Legg-Delaware Pool was discovered by the Mitchell Energy Corporation Comanche 17 State Well No. 2 located in Unit H of Section 17, Township 21 South, Range 33 East, NMPM. It was completed in the Delaware formation on February 10, 1993. The top of the perforations is at 8,753 feet.

(7) 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 East Lovington-Wolfcamp Pool. Said East Lovington-Wolfcamp Pool was discovered by the Nearburg Producing Company Western 17F State Well No. 1 located in Unit F of Section 17, Township 16 South, Range 37 East, NMPM. It was completed in the Wolfcamp formation on March 19, 1993. The top of the perforations is at 10,530 feet.

(8) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of South Pearl-San Andres Pool. Said South Pearl-San Andres Pool was discovered by the Manzano Oil Corporation Sims State Well No. 1 located in Unit M of Section 12, Township 20 South, Range 35 East, NMPM. It was completed in the San Andres formation on April 8, 1993. The top of the perforations is at 5,277 feet.

(9) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Glorieta and Paddock formations, said pool to bear the designation of Southwest Teague Glorieta-Upper Paddock Pool. Said Southwest Teague Glorieta-Upper Paddock Pool was discovered by the Texaco Exploration & Production Inc. B. F. Harrison B Well No. 8 located in Unit D of Section 9, Township 23 South, Range 37 East, NMPM. It was completed in the Glorieta and Paddock formations on June 15, 1993. The top of the perforations is at 5,108 feet.

(10) 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 Mid Vacuum-Bone Spring Pool. Said Mid Vacuum-Bone Spring Pool was discovered by the Yates Petroleum Corporation Nowata AGR State Well No. 1 located

in Unit P of Section 9, Township 18 South, Range 35 East, NMPM. It was completed in the Bone Spring formation on April 2, 1993. The top of the perforations is at 8,282 feet.

(11) There is need for the extension of the vertical limits of the West Blinebry Pool in Lea County, New Mexico, to include the Lower Paddock formation.

(12) There is need for the extension of the vertical limits of the Cline-Blinebry Pool in Lea County, New Mexico, to include the Lower Paddock formation and the redesignation of said Cline-Blinebry Pool as the Cline Lower Paddock-Blinebry Pool.

(13) There is need for the extension of the vertical limits of the North Teague-Blinebry Gas Pool in Lea County, New Mexico, to include the Lower Paddock formation and the redesignation of said North Teague-Blinebry Gas Pool as the North Teague Lower Paddock-Blinebry Gas Pool.

(14) There is need for the redesignation of the West Nadine-Blinebry Pool in Lea County, New Mexico, as the West Nadine Paddock-Blinebry Pool in order to correct the nomenclature.

(15) There is need for the extension of the South Baum-Wolfcamp Pool, the Blinebry Oil and Gas Pool, the Northwest Bootleg Ridge-Delaware Pool, the Buffalo-Yates Pool, the South Corbin-Morrow Gas Pool, the South Corbin-Wolfcamp Pool, the Diamondtail-Delaware Pool, the Fairview Mills-Wolfcamp Gas Pool, the South Fowler-Tubb Pool, the Geronimo-Delaware Pool, the Hat Mesa-Delaware Pool, the Northeast Jenkins-Devonian Pool, the East Livingston Ridge-Delaware Pool, the West Lovington-Strawn Pool, the North Lusk-Bone Spring Pool, the Midway-Strawn Pool, the Pearl-San Andres Pool, the Pearsall-Seven Rivers Pool, the Pitchfork Ranch-Morrow Gas Pool, the Quail Ridge-Delaware Pool, the Quail Ridge-Morrow Gas Pool, the Querecho Plains-Delaware Pool, the Red Tank-Bone Spring Pool, the West Red Tank-Delaware Pool, the Teague-Blinebry Pool, the Tonto-Atoka Gas Pool, the West Tonto-Bone Spring Pool, the South Tonto Yates-Seven Rivers Pool, the Tres Papalotes-Pennsylvanian Pool, the Vacuum-Drinkard Pool, and the Young-Grayburg Pool, all in Lea County, New Mexico, and the Allison-Pennsylvanian Pool in Roosevelt County, New Mexico.

(16) The effective date of this order and all creations, redesignations, and extensions of vertical and horizontal limits included herein should be August 1, 1993.

IT IS THEREFORE ORDERED THAT:

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

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM  
Section 35: SW/4

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

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM  
Section 34: N/2

(c) A new pool in Lea County, New Mexico, classified as an oil pool for Abo production is hereby created and designated as the Eight Mile Draw-Abo Pool, consisting of the following described area:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM  
Section 25: NE/4

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

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM  
Section 5: N/2

(e) A new pool in Lea County, New Mexico, classified as an oil pool for Delaware production is hereby created and designated as the North Legg-Delaware Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 33 EAST, NMPM  
Section 17: NE/4

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

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM  
Section 17: NW/4

(g) A new pool in Lea County, New Mexico, classified as an oil pool for San Andres production is hereby created and designated as the South Pearl-San Andres Pool, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM  
Section 12: SW/4

(h) A new pool in Lea County, New Mexico, classified as an oil pool for Glorieta and Paddock production is hereby created and designated as the Southwest Teague Glorieta-Upper Paddock Pool, consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM  
Section 9: NW/4

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

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

(j) The vertical limits of the West Blinebry Pool in Lea County, New Mexico, are hereby extended to include the Lower Paddock formation.

(k) The vertical limits of the Cline-Blinebry Pool in Lea County, New Mexico, are hereby extended to include the Lower Paddock formation and said Cline-Blinebry Pool is hereby redesignated as the Cline Lower Paddock-Blinebry Pool.

(l) The vertical limits of the North Teague-Blinebry Gas Pool in Lea County, New Mexico, are hereby extended to include the Lower Paddock formation and said North Teague-Blinebry Gas Pool is hereby redesignated as the North Teague Lower Paddock-Blinebry Gas Pool.

(m) The West Nadine-Blinebry Pool in Lea County, New Mexico, is hereby redesignated as the West Nadine Paddock-Blinebry Pool.

(n) The Allison-Pennsylvanian Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM  
Section 17: SW/4

(o) The South Baum-Wolfcamp 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 6: E/2 and SW/4  
Section 7: NW/4

(p) The Blinebry Oil and Gas 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 7: SE/4  
Section 18: NE/4

(q) The Northwest Bootleg Ridge-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM  
Section 11: E/2 and SW/4

(r) The Buffalo-Yates Pool in Lea County, New Mexico, as

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heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
Section 2: SE/4

(s) The South Corbin-Morrow Gas 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 20: NE/4

(t) 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 8: NE/4

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

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM  
Section 11: NW/4

(v) The Fairview Mills-Wolfcamp Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM  
Section 3: S/2

(w) The South Fowler-Tubb Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM  
Section 23: NW/4

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

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM  
Section 30: SW/4

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

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM  
Section 32: N/2 and SW/4

(z) The Northeast Jenkins-Devonian Pool in Lea County, New

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Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM  
Section 20: NE/4

(aa) The East Livingston Ridge-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM  
Section 15: SE/4  
Section 16: NW/4  
Section 17: SW/4  
Section 18: E/2

(bb) The West Lovington-Strawn 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 1: Lots 1, 2, 3, 4, 5, 6, 7,  
and 8

(cc) The North Lusk-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 32: NW/4

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

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM  
Section 8: SE/4

(ee) The Pearl-San Andres 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 26: S/2

(ff) The Pearsall-Seven Rivers Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM  
Section 31: NE/4

(gg) The Pitchfork Ranch-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM  
Section 1: N/2

(hh) The Quail Ridge-Delaware 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 3: SE/4

(ii) The Quail Ridge-Morrow Gas 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 32: SW/4

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM  
Section 6: SE/4

(jj) The Querecho Plains-Delaware 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 26: NW/4

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

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM  
Section 25: SW/4  
Section 26: W/2  
Section 36: NW/4

(ll) The West Red Tank-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM  
Section 23: S/2  
Section 26: W/2  
Section 27: SE/4  
Section 28: E/2

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

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM  
Section 34: W/2

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM  
Section 3: NW/4



(nn) The Tonto-Atoka Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM  
Section 21: N/2

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
Section 1: NW/4

(pp) The South Tonto Yates-Seven Rivers Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM  
Section 31: NE/4

(qq) The Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM  
Section 32: NE/4

(rr) The Vacuum-Drinkard 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 1: W/2

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM  
Section 6: NW/4 and SE/4

(ss) The Young-Grayburg 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 8: S/2

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

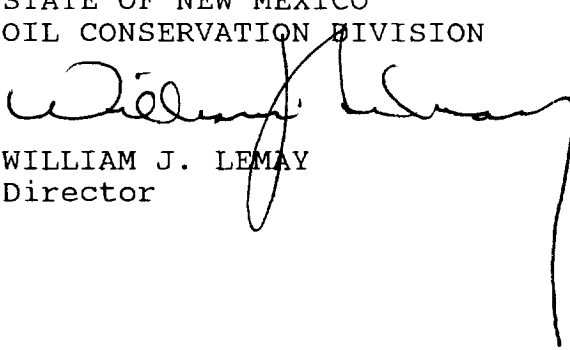
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allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of allowable.

(2) The effective date of this order and all creations, redesignations, and extensions of vertical and horizontal limits included herein shall be August 1, 1993.

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY  
Director

S E A L

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