

CASE 6524: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, and extending the vertical and horizontal limits of certain pools in Eddy and Lea Counties, New Mexico:

(a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Seven Rivers production and designated as the Cave-Seven Rivers Pool. The discovery well is Kincaid and Watson Drilling Company Humble 8 Well No. 7 located in Unit D of Section 8, Township 17 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
Section 8: NW/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Malaga-Atoka Gas Pool. The discovery well is Aminoil USA, Inc. CNB Com Well No. 1 located in Unit L of Section 11, Township 24 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM  
Section 11: W/2

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Morton-Morrow Gas Pool. The discovery well is Southern Union Exploration Company Lea "L" State Well No. 1 located in Unit G of Section 14, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM  
Section 14: E/2

(d) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Glorieta production and designated as the Oil Center-Glorieta Gas Pool. The discovery well is Amoco Production Company State "C" Tr. 11 Well No. 7 located in Unit W of Section 2, Township 21 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM  
Section 2: SE/4

(e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Cisco production and designated as the North Turkey Track-Cisco Gas Pool. The discovery well is Hondo Drilling Company Alscott Well No. 1 located in Unit G of Section 31, Township 18 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM  
Section 31: N/2

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Winchester-Atoka Gas Pool. The discovery well is Cities Service Company Government S Well No. 1 located in Unit H of Section 3, Township 20 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM  
Section 33: S/2  
Section 34: S/2

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 3: E/2

(g) EXTEND the Antelope Ridge-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM  
Section 3: S/2  
Section 10: E/2

(h) EXTEND the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 26: N/2

(i) EXTEND the Avalon-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM  
Section 8: All  
Section 9: S/2  
Section 16: N/2

(j) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM  
Section 29: SE/4

(k) EXTEND the Box Canyon Permo-Penn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM  
Section 14: W/2  
Section 15: S/2

(l) EXTEND the Boyd-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM  
Section 12: E/2

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM  
Section 7: W/2

(m) EXTEND the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 3: E/2

(n) EXTEND the South Carlsbad-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM  
Section 3: W/2  
Section 4: S/2  
Section 5: S/2

(o) EXTEND the East Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM  
Section 26: E/2

(p) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM  
Section 10: S/2  
Section 11: W/2

(q) EXTEND the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM  
Section 36: S/2

(r) EXTEND the North Cemetery-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM  
Section 36: N/2

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM  
Section 28: All  
Section 31: N/2  
Section 32: N/2

(s) EXTEND the Cerca-Lower Wolfcamp Pool in Lea County, New Mexico, to include therein:

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

(t) EXTEND the Dayton-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
Section 35: W/2 SE/4

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM  
Section 2: W/2 NE/4 and NW/4 SE/4

(u) EXTEND the Dickinson-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM  
Section 26: SW/4

(v) EXTEND the Eagle Creek Permo-Penn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM  
Section 21: W/2  
Section 28: All

(w) EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM  
Section 21: N/2

(x) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM  
Section 8: E/2  
Section 9: W/2

(y) EXTEND the Golden Lane-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM  
Section 31: W/2

(z) EXTEND the Herradura Bend-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM  
Section 32: W/2 SW/4 and SW/4 NW/4

(aa) EXTEND the Penasco Draw San Andres-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
Section 29: SW/4 and W/2 SE/4  
Section 32: N/2 NW/4 and NW/4 NE/4

(bb) EXTEND the Shugart-Yates-SR-Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM  
Section 23: S/2 NE/4 and SE/4  
Section 24: S/2 and S/2 N/2

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM  
Section 2: N/2 SW/4

(cc) ABOLISH the Turkey Track-Seven Rivers Pool in Eddy County, New Mexico, which comprises:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 2: SW/4  
Section 3: S/2  
Section 9: SE/4  
Section 10: All  
Section 11: NW/4  
Section 15: N/2  
Section 16: NE/4

(dd) EXTEND the vertical limits of the Turkey Track Queen-Grayburg Pool in Townships 18 and 19 South, Range 29 East, NMPM, Eddy County, New Mexico, to include the Seven Rivers formation and redesignate said pool the Turkey Track Seven Rivers-Queen-Grayburg Pool. Further, to extend said pool to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 16: W/2 NE/4 and SE/4 NE/4

(ee) EXTEND the Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 15: W/2  
Section 16: All

(ff) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM  
Section 35: All  
Section 36: All

(gg) EXTEND the Warren-Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM  
Section 29: SE/4

(hh) EXTEND the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM  
Section 1: All  
Section 10: All

(ii) EXTEND the Winchester-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM  
Section 25: All  
Section 29: S/2  
Section 32: N/2  
Section 36: W/2

TOWNSHIP 21 SOUTH, RANGE 20 EAST, NMPM  
Section 8: All  
Section 9: S/2  
Section 16: N/2

(j) EXTEND the Blinbery Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM  
Section 29: SE/4

(k) EXTEND the Box Canyon Permo-Penn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM  
Section 14: W/2  
Section 15: S/2

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- CASE 6517:** Application of Hanagan Petroleum Corporation for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Avalon-Wolfcamp Gas Pool, Eddy County, New Mexico, to provide for 320-acre spacing rather than 160 acres. In the absence of objection, this pool will be placed on the standard 320-acre spacing for Wolfcamp gas pools rather than the present 160-acre spacing.
- CASE 6518:** Application of McClellan Oil Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal Well No. 2, located 2310 feet from the North and East lines of Section 11, Township 14 South, Range 28 East, Sams Ranch-Grayburg Gas Pool, Chaves County, New Mexico, the NE/4 of said Section 11 to be dedicated to the well.
- CASE 6519:** Application of Inexco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Bison Wallow Unit Area, comprising 7,040 acres, more or less, of Federal and State lands in Townships 25 and 26 South, Range 29 East, Eddy County, New Mexico.
- CASE 6520:** Application of Belco Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Strawn and Morrow production in the wellbore of its Union Mead Com Well No. 1 located in Unit H of Section 8, Township 22 South, Range 27 East, Carlsbad Field, Eddy County, New Mexico.
- CASE 6521:** Application of Adobe Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its East Tatum State Unit Area, comprising 2,560 acres, more or less, of State lands in Township 12 South, Range 36 East, Lea County, New Mexico.
- CASE 6522:** Application of Petroleum Corporation of Texas for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fruitland and Pictured Cliffs production in the wellbore of its Hanley Well No. 2-A located in Unit F of Section 18, Township 29 North, Range 10 West, San Juan County, New Mexico.
- CASE 6523:** Application of Lonnie J. Buck for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Yates formation underlying each of the following 40-acre tracts in Section 25, Township 25 South, Range 36 East, Lea County, New Mexico: NW/4 SW/4 to be dedicated to the Brown Well No. 6 located in Unit L and SW/4 SW/4 to be dedicated to the Brown Well No. 7 located in Unit M. Also to be considered will be the cost of recompleting said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the wells and a charge for risk involved in recompleting said wells.
- CASE 6502:** (Continued from March 28, 1979, Examiner Hearing)
- Application of Stevens Oil Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, Chaves County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6524:** In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, and extending the vertical and horizontal limits of certain pools in Eddy and Lea Counties, New Mexico:

(a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Seven Rivers production and designated as the Cave-Seven Rivers Pool. The discovery well is Kincaid and Watson Drilling Company Humble 8 Well No. 7 located in Unit D of Section 8, Township 17 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
Section 8: NW/4

Section 21: N/2

(x) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM  
Section 8: E/2  
Section 9: W/2

(y) EXTEND the Golden Lane-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM  
Section 31: W/2

(z) EXTEND the Herradura Bend-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM  
Section 32: W/2 SW/4 and SW/4 NW/4

(aa) EXTEND the Penasco Draw San Andres-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
Section 29: SW/4 and W/2 SE/4  
Section 32: N/2 NW/4 and NW/4 NE/4

(bb) EXTEND the Shugart-Yates-SR-Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM  
Section 23: S/2 NE/4 and SE/4  
Section 24: S/2 and S/2 N/2

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM  
Section 2: N/2 SW/4

(cc) ABOLISH the Turkey Track-Seven Rivers Pool in Eddy County, New Mexico, which comprises:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 2: SW/4  
Section 3: S/2  
Section 9: SE/4  
Section 10: All  
Section 11: NW/4  
Section 15: N/2  
Section 16: NE/4

(dd) EXTEND the vertical limits of the Turkey Track Queen-Grayburg Pool in Townships 18 and 19 South, Range 29 East, NMPM, Eddy County, New Mexico, to include the Seven Rivers formation and redesignate said pool the Turkey Track Seven Rivers-Queen-Grayburg Pool. Further, to extend said pool to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 16: W/2 NE/4 and SE/4 NE/4

(ee) EXTEND the Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 15: W/2  
Section 16: All

(ff) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM  
Section 35: All  
Section 36: All

(gg) EXTEND the Warren-Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM  
Section 29: SE/4

Section 7: W/2

(m) EXTEND the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 3: E/2

(n) EXTEND the South Carlsbad-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM  
Section 3: W/2  
Section 4: S/2  
Section 5: S/2

(o) EXTEND the East Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM  
Section 26: E/2

(p) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM  
Section 10: S/2  
Section 11: W/2

(q) EXTEND the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM  
Section 36: S/2

(r) EXTEND the North Cemetery-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM  
Section 36: N/2

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM  
Section 28: All  
Section 31: N/2  
Section 32: N/2

(s) EXTEND the Cerca-Lower Wolfcamp Pool in Lea County, New Mexico, to include therein:

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

(t) EXTEND the Dayton-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
Section 35: W/2 SE/4

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM  
Section 2: W/2 NE/4 and NW/4 SE/4

(u) EXTEND the Dickinson-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM  
Section 26: SW/4

(v) EXTEND the Eagle Creek Permo-Penn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM  
Section 21: W/2  
Section 28: All