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. 8443 Order No. R-7763

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on December 19, 1984, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 8th day of January, 1985, 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 Pitchfork Ranch-Wolfcamp Pool. Said Pitchfork Ranch-Wolfcamp Pool was discovered by the HNG Oil Company Moore 34 Com Well No. 1 located in Unit G of Section 34, Township 24 South, Range 34 East, NMPM. It was completed in the Wolfcamp formation on September 17, 1984. The top of the perforations is at 13,490 feet.
- (3) There is need for the creation of a new oil pool in Roosevelt County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of West Todd-San Andres Pool. Said West Todd-San Andres Pool was discovered by the Pioneer Production Corporation Pettigrew 30 Well No. 1 located in Unit A of Section 30,

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Township 7 South, Range 35 East, NMPM. It was completed in the San Andres formation on September 26, 1984. The top of the perforations is at 4,168 feet.

- (4) There is need for the contraction of the Caprock-Queen Pool in Chaves County, New Mexcio, due to an overlap of the Southeast Chaves Queen Gas Area and a gas cap underlies this area.
- (5) There is need for the extension of the vertical limits of the High Plains-Pennsylvanian Pool in Lea County, New Mexico, to include the Wolfcamp formation and the redesignation of said pool as the High Plains-Permo Pennsylvanian Pool.
- Chaves-Queen Gas Area Associated Pool in Chaves County, New Mexico, and the Anderson Ranch-Wolfcamp Pool, the North Anderson Ranch-Wolfcamp Pool, the South Button Mesa-San Andres Pool, the EK-Bone Spring Pool, the EK Yates-Seven Rivers-Queen Pool, the Feather-Morrow Pool, the High Plains-Permo Pennsylvanian Pool, the Lea-Pennsylvanian Gas Pool, the Mescalero Escarpe-Bone Spring Pool, the West Pearl-San Andres Pool, the Pitchfork Ranch-Morrow Gas Pool, the Saunders Permo-Upper Pennsylvanian Pool, and the Tulk-Pennsylvanian Pool, all in Lea County, New Mexico, and the Bluitt-San Andres Associated Pool and the Tobac-Pennsylvanian Pool, both in Roosevelt 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 Pitchfork Ranch-Wolfcamp Pool, consisting of the following described area:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM Section 34: NE/4

(b) A new pool in Roosevelt County, New Mexico, classifi is as an oil pool for San Andres production is hereby created and designated as the West Todd-San Andres Pool, consisting of the following described area:

TOWNSHIP 7 SOUTH, RANGE 35 EAST, NMPM Section 30: NE/4

(c) The Caprock-Queen Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

TOWNSHIP 13 SOUTH, RANGE 31 EAST, NMPM Section 3: NW/4 and SE/4

(d) The Southeast Chaves-Queen Gas Area Associated Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 13 SOUTH, RANGE 31 EAST, NMPM Section 3: NW/4

(e) The Anderson Ranch-Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM Section 10: NE/4

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

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM Section 3: Lots 1, 2, 7, and 8

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

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM Section 19: SW/4

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

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM Section 8: NE/4

(i) 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: SW/4

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(j) The EK Yates-Seven Rivers-Queen 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 12: NE/4

(k) The Eumont Yates-Seven Rivers-Queen 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: All

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

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM Section 16: SE/4

(m) The High Plains-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include the Wolfcamp formation and said pool redesignated as the High Plains-Permo Pennsylvanian Pool. The horizontal limits of said pool are extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM Section 22: NW/4

(n) The Lea-Pennsylvanian Gas 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 24: All

(o) 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 12: NW/4

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM Section 18: N/2

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(p) The West 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 29: SW/4 Section 30: SE/4

(q) 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 34 EAST, NMPM Section 3: NW/4 and S/2

(r) 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 13: NW/4 Section 14: NE/4

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

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM

Section 27: SW/4

Section 28: SE/4 and E/2 SW/4 Section 34: NW/4

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

> TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM Section 22: SW/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.

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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, contractions, redesignations, and extensions of vertical and horizontal limits included herein shall be January 1, 1985.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

R. L. STAMETS

Director