

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. 8671
Order No. R-7997

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER EXTENDING CERTAIN POOLS IN
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on July 31, 1985, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 6th day of August, 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) The proposed contraction of the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, and the proposed concomitant extension of the Diamond Mound Atoka-Morrow Gas Pool in Chaves County, New Mexico, should be dismissed due to an error in the advertisement.

(3) There is need for certain extensions to the Artesia Queen-Grayburg-San Andres Pool, the Carlsbad-Strawn Gas Pool, the North Hackberry Yates-Seven Rivers Pool, the East Indian Draw-Delaware Pool, and the Red Bluff-Delaware Gas Pool, all in Eddy County, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) The proposed contraction of the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, is hereby dismissed.

(b) The Artesia Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 6: S/2
Section 7: N/2

(c) The Carlsbad-Strawn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 22: All
Sections 26 and 27: All

(d) The proposed extension to the Diamond Mound Atoka-Morrow Gas Pool in Chaves County, New Mexico, is hereby dismissed.

(e) The North Hackberry Yates-Seven Rivers Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 20: NE/4

(f) The East Indian Draw-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 10: SW/4

(g) The Red Bluff-Delaware Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 28 EAST, NMPM
Section 2: All
Section 3: 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

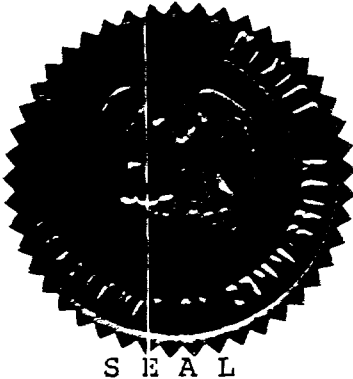
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days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Division. Pending such compliance the well shall receive a maximum allowable 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 extensions included herein shall be August 1, 1985.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "R. L. Stamets".

R. L. STAMETS
Director

fd,