

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. 8747
Order No. R-8075

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on November 6, 1985, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 8th day of November, 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 Bone Spring formation, said pool to bear the designation of Apache Ridge-Bone Spring Pool. Said Apache Ridge-Bone Spring Pool was discovered by the Pennzoil Company Mescalero Federal Well No. 1 located in Unit P of Section 30, Township 19 South, Range 34 East, NMPM. It was completed in the Bone Spring formation on August 18, 1985. The top of the perforations is at 9,376 feet.

(3) There is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of North Grama Ridge-Strawn Gas Pool. Said North Grama Ridge-Strawn Gas Pool was discovered by the Pogo Producing Company State L-922 Well

No. 2 located in Unit J of Section 28, Township 21 South, Range 34 East, NMPM. It was completed in the Strawn formation on August 16, 1985. The top of the perforations is at 12,652 feet.

(4) There is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Wolfcamp formation, said pool to bear the designation of Johnson Ranch-Wolfcamp Gas Pool. Said Johnson Ranch-Wolfcamp Gas Pool was discovered by the Mesa Petroleum Co. Jackson Unit Well No. 1 located in Unit G of Section 22, Township 24 South, Range 32 East, NMPM. It was completed in the Wolfcamp formation on April 30, 1985. The top of the perforations is at 13,252 feet.

(5) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Upper Wolfcamp formation, said pool to bear the designation of Kemnitz-Upper Wolfcamp Pool. Said Kemnitz-Upper Wolfcamp Pool was discovered by the Yates Petroleum Corporation Hot Toddy ABQ State Well No. 1 located in Unit G of Section 18, Township 16 South, Range 34 East, NMPM. It was completed in the Upper Wolfcamp formation on July 10, 1985. The top of the perforations is at 10,371 feet.

(6) 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 South Pitchfork Ranch-Atoka Gas Pool. Said South Pitchfork Ranch-Atoka Gas Pool was discovered by the Stone Petroleum Corporation Javalina Basin Unit Well No. 1 located in Unit G of Section 17, Township 25 South, Range 34 East, NMPM. It was completed in the Atoka formation on July 18, 1985. The top of the perforations is at 14,594 feet.

(7) There is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Seven Rivers formation, said pool to bear the designation of South Pearl-Seven Rivers Gas Pool. Said South Pearl-Seven Rivers Gas Pool was discovered by the Western Equipment Company Lea K State Well No. 1 located in Unit L of Section 36, Township 19 South, Range 34 East, NMPM. It was completed in the Seven Rivers formation on July 8, 1985. The top of the perforations is at 3,927 feet.

(8) There is need for the contraction of the Pearl-Seven Rivers Pool in Lea County, New Mexico, due to the completion of the Western Equipment Company Lea K State Well No. 1 located in Unit L of Section 36, Township 19 South, Range 34 East, NMPM, as a gas well for which the South Pearl-Seven Rivers Gas Pool is being created by this order.

(9) There is need for the extension of the vertical limits of the Austin-Wolfcamp Pool in Lea County, New Mexico, to include the Cisco, Canyon, and Strawn formations due to the completion of the Yates Petroleum Corporation Woodward ABD Well No. 1 located in Unit G of Section 24, Township 14 South, Range 35 East, NMPM, in the Permo Upper Pennsylvanian formation. Further, said Austin-Wolfcamp Pool should be redesignated as the Austin-Permo Upper Pennsylvanian Pool and the horizontal limits extended to include said well.

(10) There is need for the extension of the lower vertical limits of the Bagley-Lower Pennsylvanian Gas Pool in Lea County, New Mexico, from 5700 feet subsea elevation to the top of the Atoka formation to include a zone between the Bagley-Lower Pennsylvanian and Bagley-Atoka Pools not presently covered by nomenclature. The top of the Atoka formation is the marker at 10,144 feet on the log of Petrus Operating Company State Well No. 1 located in Unit I of Section 34, Township 11 South, Range 33 East, NMPM.

(11) There is need for extensions to the Cato-San Andres Pool in Chaves County, New Mexico, and the Antelope Ridge-Bone Spring Pool, the Cary-Montoya Pool, the South Corbin-Wolfcamp Pool, the EK-Bone Spring Pool, the Mescalero Escarpe-Bone Spring Pool, the Paddock Pool, the Reeves-Queen Pool, the Wantz-Abo Pool, and the Weir-Blinebry Pool, all in Lea County, New Mexico, and the South Peterson-Pennsylvanian Associated Pool 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 Bone Spring production is hereby created and designated as the Apache Ridge-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 30: SE/4

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

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 28: S/2

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

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 22: E/2

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

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 18: NE/4

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

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM
Section 17: N/2

(f) A new pool in Lea County, New Mexico, classified as a gas pool for Seven Rivers production is hereby created and designated as the South Pearl-Seven Rivers Gas Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 36: SW/4

(g) The Pearl-Seven Rivers Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 36: SW/4

(h) The vertical limits of the Austin-Wolfcamp Pool in Lea County, New Mexico, are hereby extended to include the Cisco, Canyon, and Strawn formations and said pool is hereby redesignated as the Austin-Permo Upper Pennsylvanian Pool. Further, the horizontal limits of said Austin-Permo Upper Pennsylvanian Pool are hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 35 EAST, NMPM
Section 24: NE/4

(i) The lower vertical limits of the Bagley-Lower Pennsylvanian Gas Pool in Lea County, New Mexico, are hereby extended from 5700 feet subsea elevation to the top of the Atoka marker at 10,144 feet as found on the log of Petrus Operating Company State Well No. 1 located in Unit I of Section 34, Township 11 South, Range 33 East, NMPM.

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

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 21: NE/4
Section 22: W/2

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

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 33: W/2

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 4: NW/4

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

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM
Section 7: SW/4

(m) 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 17: NW/4

(n) 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 26: S/2
Section 27: SE/4

(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 11: SE/4

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

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 25: SE/4

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

TOWNSHIP 6 SOUTH, RANGE 34 EAST, NMPM
Section 8: NE/4

(r) The Reeves-Queen 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 27: NW/4
Section 28: NE/4

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

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 2: Lots 1, 2, 7, 8, 9, 10,
15, and 16

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

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 16: W/2 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, contractions, extensions of vertical and horizontal limits, and redesignations included herein shall be December 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

