

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. 8967
Order No. R-8277

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on August 6, 1986, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 14th day of August, 1986, 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 Strawn formation, said pool to bear the designation of Big Dog-Strawn Pool. Said Big Dog-Strawn Pool was discovered by the Mitchell Energy Corporation Baer Well No. 1 located in Unit F of Section 32, Township 15 South, Range 35 East, NMPM. It was completed in the Strawn formation on May 11, 1986. The top of the perforations is at 11,594 feet.

(3) 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 Northeast Jenkins-San Andres Pool. Said Northeast Jenkins-San Andres Pool was discovered by the BTA Oil Producers Hugo 693 Ltd. Well No. 2 located in Unit L of Section 15, Township

9 South, Range 35 East, NMPM. It was completed in the San Andres formation on March 21, 1986. The top of the perforations is at 4,818 feet.

(4) 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 Reeves-Delaware Pool. Said Reeves-Delaware Pool was discovered by the Mewbourne Oil Company Federal Well No. 1 located in Unit J of Section 14, Township 18 South, Range 35 East, NMPM. It was completed in the Delaware formation on May 8, 1986. The top of the perforations is at 6,080 feet.

(5) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Queen formation, said pool to bear the designation of Sanmal-Queen Pool. Said Sanmal-Queen Pool was discovered by the Yates Petroleum Corporation Hoover ADR State Well No. 1 located in Unit I of Section 1, Township 17 South, Range 33 East, NMPM. It was completed in the Queen formation on March 4, 1986. The top of the perforations is at 3,767 feet.

(6) There is need for certain extensions to the South Corbin-Bone Spring Pool, the Eumont Yates-Seven Rivers-Queen Gas Pool, the Querecho Plains-Upper Bone Spring Pool, the Ranger Lake-Pennsylvanian Pool, the South Salt Lake-Atoka Gas Pool, the Skaggs-Abo Gas Pool, and the Wantz-Abo Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED THAT:

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

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 32: NW/4

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

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 15: SW/4

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

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 14: SE/4

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

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 1: SE/4

(e) The South Corbin-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 20: S/2

(f) The Eumont Yates-Seven Rivers-Queen Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 36 EAST, NMPM
Section 3: SW/4
Section 10: N/2 and SE/4

(g) The Querecho Plains-Upper 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 23: SE/4

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

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 13: SW/4

Case No. 8967
Order No. R-8277

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

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM
Section 25: W/2
Section 36: NW/4

(j) The Skaggs-Abo Gas 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 13: NW/4

(k) 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 1: Lots 9, 10, 15, and 16

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 shall subject the well to cancellation of allowable.

(2) The effective date of this order and all creations and extensions included herein shall be September 1, 1986.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. Stamets
R. L. STAMETS
Director