

Entered February 20, 1967

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF
NEW MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE No. 3528
Order No. R-3195

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING, EXTENDING, AND ABOLISHING
CERTAIN POOLS IN CHAVES, EDDY, AND LEA
COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 15, 1967, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 20th day of February, 1967, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Abo formation, said pool to bear the designation of Emerald-Abo Pool. Further, that the discovery well for said pool, the Elk Oil Company Aztec State No. 1 located in Unit M of Section 15, Township 17 South, Range 36 East, NMPM, is entitled to and should receive a bonus discovery oil allowable in the amount of 47,220 barrels to be assigned over a two-year period. The top of the perforations in said well is 9444 feet.

(3) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Atoka

formation, said pool to bear the designation of Dagger Draw-Atoka Gas Pool. Said Dagger Draw-Atoka Gas Pool was discovered by Standard Oil Company of Texas, Cass Ranch Federal No. 1, located in Unit F of Section 3, Township 20 South, Range 24 East, NMPM. It was completed in Atoka on May 19, 1963. The top of perforations is 8712 feet.

(4) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Canyon formation, said pool to bear the designation of Hackberry Hills-Canyon Gas Pool. Said Hackberry Hills-Canyon Gas Pool was discovered by Sinclair Oil & Gas Company, Hackberry Hills Unit No. 1, located in Unit O of Section 1, Township 22 South, Range 25 East, NMPM. It was completed in Canyon on August 15, 1961. The top of perforations is 9622 feet.

(5) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Canyon formation, said pool to bear the designation of East Hackberry Hills-Canyon Gas Pool. Said East Hackberry Hills-Canyon Gas Pool was discovered by Sinclair Oil & Gas Company, Hackberry Hills Unit No. 4, located in Unit F of Section 22, Township 22 South, Range 26 East, NMPM. It was completed in Canyon on July 19, 1966. The top of perforations is 10,061 feet.

(6) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of South Lusk-Wolfcamp Pool. Said South Lusk-Wolfcamp Pool was discovered by Pan American Petroleum Corporation, Plains Unit Federal No. 5, located in Unit J of Section 28, Township 19 South, Range 32 East, NMPM. It was completed in Wolfcamp on December 1, 1966. The top of perforations is 10,719 feet.

(7) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Devonian formation, said pool to bear the designation of Paduca-Devonian Gas Pool. Said Paduca-Devonian Gas Pool was discovered by Texaco Inc., Cotton Draw Unit No. 64, located in Unit C of Section 18, Township 25 South, Range 32 East, NMPM. It was completed in Devonian on October 21, 1966. The top of perforations is 16,492 feet.

(8) That there is need for the creation of a new oil pool in Chaves County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of West Tobac-San Andres Pool. Said West Tobac-San Andres Pool was discovered

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by Tom L. Ingram, State A No. 1, located in Unit O of Section 26, Township 8 South, Range 32 East, NMPM. It was completed in San Andres on November 28, 1966. The top of perforations is 4242 feet.

(9) That there is need for the consolidation of the West Mesa-Upper Queen Gas Pool and the Mesa-Queen Pool, Eddy County, New Mexico, inasmuch as the pools produce from the same formation. Said consolidation to be accomplished by the abolishment of the West Mesa-Upper Queen Gas Pool and extension of the Mesa-Queen Pool.

(10) That there is need for certain extensions to the Cato-San Andres Pool in Chaves County, New Mexico, the Artesia Pool, the Atoka-Pennsylvanian Gas Pool, the Big Eddy-Strawn Pool, the Malaga-Delaware Pool, and the Scanlon-Delaware Pool, all in Eddy County, New Mexico, the North Bagley-Upper Pennsylvanian Pool, the Grama Ridge-Morrow Gas Pool, the Justis-Blinbry Pool, the Middle Lane-Permo Pennsylvanian Pool, the Lazy J-Pennsylvanian Pool, the Mesa-Queen Pool, and the Osudo-Morrow Gas Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 15: SW/4

That the discovery well for said pool, the Elk Oil Company Aztec State Well No. 1, located in Unit M of Section 15, Township 17 South, Range 36 East, NMPM, is hereby authorized an oil discovery allowable of 47,220 barrels to be assigned to said well at the rate of 65 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

(b) That a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production, is hereby created and designated as the Dagger Draw-Atoka Gas Pool, consisting of the following-described area:

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM
Section 3: W/2

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(c) That a new pool in Eddy County, New Mexico, classified as a gas pool for Canyon production, is hereby created and designated as the Hackberry Hills-Canyon Gas Pool, consisting of the following-described area:

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM
Section 1: S/2

(d) That a new pool in Eddy County, New Mexico, classified as a gas pool for Canyon production, is hereby created and designated as the East Hackberry Hills-Canyon Gas Pool, consisting of the following-described area:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 22: N/2

(e) That a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production, is hereby created and designated as the South Lusk-Wolfcamp Pool, consisting of the following-described area:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 28: SE/4

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

TOWNSHIP 25 SOUTH, RANGE 32 EAST, NMPM
Section 18: NW/4

(g) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production, is hereby created and designated as the West Tobac-San Andres Pool, consisting of the following-described area:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
Section 26: SE/4

(h) That the Artesia 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 9: SE/4 NW/4 and NE/4 SW/4

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(i) That the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM

Section 15: N/2

(j) That the North Bagley-Upper Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM

Section 3: S/2 SE/4

Section 9: NW/4

(k) That the Big Eddy-Strawn Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 31 EAST, NMPM

Section 19: SW/4

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

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM

Section 14: NE/4

Section 16: N/2

Section 17: E/2

(m) That the Grama Ridge-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM

Section 33: All

(n) That the Justis-Blinebry Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM

Section 26: NE/4

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(o) That the Middle Lane-Permo Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM

Section 14: SE/4

Section 15: SE/4

(p) That the Lazy J-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 3: SE/4

(q) That the Malaga-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM

Section 13: E/2 SW/4

Section 24: NW/4

(r) That the Osudo-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Section 6: Lots 1, 2, 7, 8, 9, 10, 15,
and 16

(s) That the Scanlon-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM

Section 30: NE/4 SE/4

(t) That the West Mesa-Upper Queen Gas Pool in Eddy County, New Mexico, consisting of the following-described area:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM

Section 12: NW/4 and S/2

Section 13: N/2 and SW/4

Section 14: NE/4

is hereby abolished.

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(u) That the Mesa-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include all of the Queen formation in the following area:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 18: NW/4 and S/2

and to include the Upper Queen gas pay only in the following-described area in Eddy County:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 12: All
Section 13: All
Section 14: NE/4

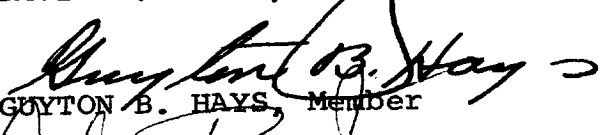
IT IS FURTHER ORDERED:

That the effective date of this order and all creations, abolishments, and extensions included herein shall be March 1, 1967.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


A. L. PORTER, Jr., Member & Secretary

S E A L

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