

*Entered July 24, 1967
D.L.R.*

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. 3617
Order No. R-3280

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN ORDER
CREATING, ABOLISHING, AND EXTENDING VERTICAL
AND HORIZONTAL LIMITS OF 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 July 19, 1967, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 24th day of July, 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 Delaware Sand formation, said pool to bear the designation of East Paduca-Delaware Pool. Further, that the discovery well for said pool, the Joseph I. O'Neill, Jr., Federal "O" Well No. 1 located in Unit P of Section 14, Township 25 South, Range 32 East, NMPM, is entitled to and should receive a bonus discovery oil allowable in the amount of 24,255 barrels to be assigned over a two-year period. The top of the perforations in said well is 4851 feet.

(3) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Queen formation, said pool to bear the designation of Quail-Queen Pool. Further, that the discovery well for said pool, Atlantic Richfield Company's State "BG" No. 1, located in Unit H of Section 14, Township 19 South, Range 34 East, NMPM, is entitled to and should receive a bonus discovery oil allowable in the amount of 25,630 barrels to be assigned over a two-year period. The top of the perforations in said well is 5126 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 Strawn formation, said pool to bear the designation of Golden Lane-Strawn Gas Pool. Said Golden Lane-Strawn Gas Pool was discovered by Pennzoil Company, Hudson Federal No. 1, located in Unit C of Section 4, Township 21 South, Range 29 East, NMPM. It was completed in Strawn on November 8, 1966. The top of perforations is 11,098 feet.

(5) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Blinebry formation, said pool to bear the designation of Teague-Blinebry Pool. Said Teague-Blinebry Pool was discovered by Bronco Oil Corporation, E. C. Hill No. 2, located in Unit J of Section 27, Township 23 South, Range 37 East, NMPM. It was completed in Blinebry on May 30, 1967. The top of perforations is 5377 feet.

(6) That there is need for the consolidation of the West Bagley-Pennsylvanian Pool and the North Bagley-Lower Pennsylvanian Pool, Lea County, New Mexico, inasmuch as the pools produce from a common source of supply. Said consolidation is to be accomplished by abolishing the West Bagley-Pennsylvanian Pool and extending the North Bagley-Lower Pennsylvanian Pool.

(7) That the Empire-Queen Pool in Eddy County, New Mexico, should be abolished, and the wells in said pool should be included in the Red Lake Grayburg-San Andres Pool, as extended.

(8) That the Red Lake-Queen Gas Pool in Eddy County, New Mexico, should be abolished, and the well in said pool should be included in the Red Lake Grayburg-San Andres Pool, as extended.

(9) That the vertical limits of the Red Lake Grayburg-San Andres Pool in Eddy County, New Mexico, should be extended to

include the Queen formation and said pool should be redesignated Red Lake Queen-Grayburg-San Andres Pool.

(10) That there is need for certain extensions to the Cato-San Andres Pool and the Twin Lakes-San Andres Pool, both in Chaves County, New Mexico, the Acme-San Andres Pool in Eddy County, New Mexico, the North Bagley-Lower Pennsylvanian Pool, the Northeast Bagley-Wolfcamp Pool, the South Corbin-Morrow Gas Pool, the Justis-Blinebry Pool, the Justis Tubb-Drinkard Pool, the Lazy J-Pennsylvanian Pool, the Pearl-Seven Rivers Pool, the North Vacuum-Abo Pool, and the Vacuum-Wolfcamp Pool, all in Lea County, New Mexico. Further, that the proposed extension to the North Bagley-Middle Pennsylvanian Pool in Lea County, New Mexico, should be dismissed pending further study.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 25 SOUTH, RANGE 32 EAST, NMPM
Section 14: SE/4 SE/4

That the discovery well for said pool, the Joseph I. O'Neill, Jr., Federal "O" Well No. 1, located in Unit P of Section 14, Township 25 South, Range 32 East, NMPM, is hereby authorized an oil discovery allowable of 24,255 barrels to be assigned to said well at the rate of 34 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

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

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 13: W/2
Section 14: E/2

That the discovery well for said pool, the Atlantic Richfield Company State "BG" Well No. 1, located in Unit H of Section 14, Township 19 South, Range 34 East, NMPM, is hereby authorized an oil discovery allowable of 25,630 barrels to be

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assigned at the rate of 36 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

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

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM

Section 4: Lots 1 through 8

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

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM

Section 16: S/2

Section 21: E/2

Section 27: S/2

Section 28: E/2

(e) That the West Bagley-Pennsylvanian Pool in Lea County, New Mexico, consisting of the following-described area:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM

Section 29: NE/4

is hereby abolished.

(f) That the North Bagley-Lower 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 29: NE/4

(g) That the Empire-Queen Pool in Eddy County, New Mexico, consisting of the following-described area:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM

Section 36: SW/4 SW/4

is hereby abolished.

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(h) That the Red Lake-Queen Gas Pool in Eddy County, New Mexico, consisting of the following-described area:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM

Section 26: E/2 SW/4 and W/2 SE/4

is hereby abolished.

(i) That the vertical limits of the Red Lake Grayburg-San Andres Pool in Eddy County, New Mexico, are hereby extended to include the Queen formation and that said pool is redesignated the Red Lake Queen-Grayburg-San Andres Pool.

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

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM

Section 4: N/2 SW/4

(k) That the proposed extension to the North Bagley-Middle Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM

Section 16: NW/4

Section 17: SW/4

Section 18: S/2

is hereby dismissed.

(l) That the Northeast Bagley-Wolfcamp 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 2: SW/4

(m) 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 2: SE/4

Section 8: NE/4

Section 15: SE/4

Section 22: NE/4

Section 23: NE/4 and SW/4

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(n) That the South Corbin-Morrow Gas 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 27: NE/4

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

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 12: SW/4

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

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 12: SW/4

(q) 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 1: W/2

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

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 35: NE/4

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

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 36: S/2 SW/4

(t) That the North Vacuum-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby

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extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 24: NW/4

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

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 24: NW/4

IT IS FURTHER ORDERED:

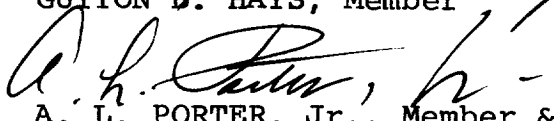
That the effective date of this order and all creations, abolishments, and extensions of vertical and horizontal limits included herein shall be August 1, 1967.

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

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