Entered august 15, 1769 Q.J.P.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE No. 4190 Order No. R-3818

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 13, 1969, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>15th</u> day of August, 1969, 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 Eddy County, New Mexico, for the production of oil from the Upper Pennsylvanian formation, said pool to bear the designation of Red Lake-Upper Pennsylvanian Pool. Said Red Lake-Upper Pennsylvanian Pool was discovered by the Pennzoil United, Inc., Federal 10 Well No. 1, located in Unit G of Section 10, Township 17 South, Range 28 East, NMPM. It was completed in the Upper Pennsylvanian formation on March 1, 1969. The top of the perforations is at 8135 feet. -2-CASE No. 4190 Order No. R-3818

(3) That there is need for the consolidation of the Middle Allison-Pennsylvanian Pool and the Vada-Pennsylvanian Pool inasmuch as both pools produce from a common reservoir. Said consolidation is to be accomplished by the abolishment of the Middle Allison-Pennsylvanian Pool and the extension of the Vada-Pennsylvanian Pool.

(4) That there is need for the contraction of the Bough Permo-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of certain acreage part of which should be placed in the Vada-Pennsylvanian Pool.

(5) That there is need for certain extensions to the Buffalo Valley-Pennsylvanian Gas Pool and the Siete-San Andres Pool, both in Chaves County, New Mexico, the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, the Bagley-Upper Pennsylvanian Gas Pool, the Baum-Upper Pennsylvanian Pool, the Drinkard Pool, the South Flying "M"-Pennsylvanian Pool, the Hobbs-Blinebry Pool, the West Sawyer-San Andres Pool, the Shoe Bar-Pennsylvanian Pool, and the Wantz-Abo Pool, all in Lea County, New Mexico, and the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico. Further, that the proposed extension to the Bagley-Pennsylvanian Pool in Lea County, New Mexico, should be <u>dismissed</u> pending further study.

IT IS THEREFORE ORDERED:

(a) That a new pool in Eddy County, New Mexico, classified as an oil pool for Upper Pennsylvanian production, is hereby created and designated as the Red Lake-Upper Pennsylvanian Pool, consisting of the following-described area:

> TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM Section 10: SW/4 NE/4

(b) That the Middle Allison-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico, consisting of the followingdescribed area:

> TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM Section 36: E/2

> TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM Section 29: All Section 30: S/2

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> (b) Continued from Page 2 -TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM Section 31: All Section 32: All Section 33: W/2 TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM Section 1: All Section 2: S/2 Section 3: S/2 TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM Section 4: S/2 and NW/4Section 5: All Section 6: All Section 7: NE/4 Section 8: All Section 9: N/2

is hereby abolished.

(c) That the Bough Permo-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following-described area:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM Section 12: N/2

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM Section 7: N/2 and SE/4 Section 8: W/2

(d) That the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM Section 36: E/2 TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM Section 28: SW/4 Section 29: All Section 30: S/2 Section 31: All

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TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM Section 32: All Section 33: W/2 and NE/4

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM Section 26: SE/4 Section 35: NE/4

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM Section 27: SE/4

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM Section 1: All Section 2: S/2 and NW/4 Section 3: S/2

Section 4: S/2 Section 7: SE/4

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM Section 4: All Section 5: All Section 6: All Section 7: E/2 Section 8: All Section 9: N/2

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM Section 4: NE/4

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

> TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM Section 4: NW/4 Section 5: S/2 and NE/4

is hereby dismissed.

(f) That the Bagley-Upper Pennsylvanian Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein: -5-CASE No. 4190 Order No. R-3818

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TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM Section 5: W/2 and NE/4

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

> TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM Section 36: SE/4 TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM Section 1: NE/4 Section 12: NE/4

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM Section 4: NE/4

(h) That the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM Section 11: W/2

(i) That the Drinkard 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: S/2 Section 25: SE/4 TOWNSHIP 21 SOUTH, RANGE 38 EAST, NMPM Section 6: Lots 11, 12, 13, 14 and SW/4 TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM Section 7: NE/4 Section 21: W/2 NW/4 Section 33: Lots 3 and 4 and W/2 SW/4 TOWNSHIP 23 SOUTH, RANGE 38 EAST, NMPM Section 4: Lots 2 and 3

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(j) That the South Flying "M"-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM Section 25: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM Section 29: SE/4 Section 30: NE/4 Section 31: NE/4

(1) That the West Sawyer-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 10 SOUTH, RANGE 37 EAST, NMPM Section 4: E/2 NW/4 and NE/4

(m) That the Shoe Bar-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM Section 36: NE/4

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM Section 31: NW/4

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

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM Section 17: NE/4

(o) That 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: S/2 Section 13: SE/4 Section 25: E/2 and SW/4

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TOWNSHIP 21 SOUTH, RANGE 38 EAST, NMPM Section 6: SW/4 Section 18: W/2 Section 19: SW/4 Section 30: NW/4 TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 1: S/2 TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM Section 6: S/2 Section 7: N/2

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

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM Section 21: All

IT IS FURTHER ORDERED:

That the effective date of this order and all creations, abolishments, contractions, and extensions included herein shall be September 1, 1969.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION) } DAVID F. CARGO, Chairman 1 and 50 'UN (ALEX J. ARMIJO, Member EMU, A. L. PORTER, Jr., Member & Secretary

SEAL

esr/