

*Entered November 24, 1969
A.S.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. 4258
Order No. R-3877

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING AND EXTENDING 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 November 19, 1969, at Roswell, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 24th day of November, 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 Lea County, New Mexico, for the production of oil from the Montoya formation, said pool to bear the designation of Loop 18-Montoya Pool. Said Loop 18-Montoya Pool was discovered by the Gulf Oil Corporation Harry Leonard NCT-E Well No. 5, located in Unit H of Section 16, Township 21 South, Range 37 East, NMPM. It was completed in the Montoya formation on September 11, 1969. The top of the perforations is at 7295 feet.

(3) That there is need for certain extensions to the Double L-Queen Pool and the Sulimar-Queen Pool, both in Chaves County,

-2-

CASE No. 4258

Order No. R-3877

New Mexico, the Shugart Pool in Eddy County, New Mexico, the North Baum-Upper Pennsylvanian Pool, the Hardy-Blinebry Pool, the Hobbs-Drinkard Pool, the Lea-Pennsylvanian Gas Pool, the West Sawyer-San Andres Pool, the Spencer-San Andres Pool, and the Tulk-Pennsylvanian 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 Montoya production, is hereby created and designated as the Loop 18-Montoya Pool, consisting of the following-described area:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 16: NE/4

(b) That the North 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 26: NW/4

(c) That the Double L-Queen Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
Section 36: SE/4 SE/4

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
Section 1: E/2 E/2

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
Section 6: SW/4

(d) That the Hardy-Blinebry 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 2: Lots 9, 10, 15 and 16

-3-

CASE No. 4258
Order No. R-3877

(e) That the Hobbs-Drinkard 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 28: SW/4

Section 30: NE/4

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

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM

Section 14: NE/4

(g) 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 9 SOUTH, RANGE 37 EAST, NMPM

Section 33: SE/4 and E/2 SW/4

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

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM

Section 24: SW/4 SE/4

Section 25: E/2 NW/4

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

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM

Section 13: SE/4 and S/2 NE/4

Section 24: N/2 S/2 and NE/4

(j) That the Sulimar-Queen Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 25: NW/4 NW/4

-4-

CASE No. 4258
Order No. R-3877

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

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM
Section 35: NW/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, 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 Commission. 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 Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations and extensions included herein shall be December 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

ALEX J. ARMILLO, Member

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

S E A L

esr/