Entered Henre 18, 1970

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. 4370 Order No. R-3979

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER CREATING 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 June 17, 1970, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 18th day of June, 1970, 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 gas pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of West Atoka-Morrow Gas Pool. Said West Atoka-Morrow Gas Pool was discovered by the Pennzoil United, Inc., Vandiver Well No. 1, located in Unit F of Section 13, Township 18 South, Range 25 East, NMPM. It was completed in the Morrow formation on November 11, 1969. The top of the perforations is at 8603 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

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Atoka formation, said pool to bear the designation of East Dickinson-Pennsylvanian Pool. Said East Dickinson-Pennsylvanian Pool was discovered by the Tom L. Ingram Granny Well No. 1, located in Unit O of Section 1, Township 11 South, Range 36 East, NMPM. It was completed in the Atoka formation on June 24, 1969. The top of the perforations is at 11,615 feet.

(4) That there is need for certain extensions to the Sulimar-Queen Pool in Chaves County, New Mexico, the Empire-Abo Pool and the Shugart Pool, both in Eddy County, New Mexico, the Maljamar Grayburg-San Andres Pool, the Quail Ridge-Yates Gas Pool, the North Vacuum-Abo Pool, and the Wantz-Abo Pool, all in Lea County, New Mexico, and the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM Section 13: N/2

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

TOWNSHIP 11 SOUTH, RANGE 36 EAST, NMPM Section 1: SE/4

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

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM Section 16: SW/4 SE/4

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

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM

Section 10: SW/4
Section 15: N/2

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(e) That the Quail Ridge-Yates Gas 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 19: All Section 20: S/2

(f) 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 SW/4

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM Section 22: S/2 NE/4 and N/2 SE/4

(g) 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 26: SE/4 NE/4

(h) That the North Vacuum-Abo 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 11: NE/4 Section 12: SW/4 Section 26: NW/4

(i) 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 33: SE/4 Section 34: SW/4

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

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(i) Continued from Page 3 -

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM Section 13: NE/4

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM

Section 4: NW/4 Section 18: NW/4

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM

Section 9: SE/4 Section 16: NW/4 Section 17: NE/4

(j) 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 38 EAST, NMPM Section 18: NE/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 July 1, 1970.

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

STATE OF NEW MAXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

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