Entered June 21, 1911 al. 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. 4553 Order No. R-4155

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 10:30 a.m. on June 16, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>21st</u> day of June, 1971, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 Aid-Morrow Gas Pool. Said Aid-Morrow Gas Pool was discovered by the Pennzoil United, Inc. Aid State Well No. 1, located in Unit A of Section 24, Township 17 South, Range 28 East, NMPM. It was completed in the Morrow formation on April 2, 1971. The top of the perforations is at 10,608 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 Blinebry formation, said pool to bear the designation of East Terry-Blinebry Pool. Said East Terry-Blinebry Pool was discovered by the Mark Production Company Conoco Federal Well No. 2, located in Unit J of Section 30, Township 20 South, Range 39 East, NMPM.

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It was completed in the Blinebry formation on March 6, 1971. The top of the perforations is at 6072 feet.

(4) That there is need for certain extensions to the Double L-Queen Pool in Chaves County, New Mexico, the Boyd-Morrow Gas Pool, the Dagger Draw-Upper Pennsylvanian Pool, and the Power Grayburg-San Andres Pool, all in Eddy County, New Mexico, the Arrowhead-Grayburg Pool, the North Bagley-Pennsylvanian Pool, the Lea-Bone Springs Pool, the South McCormack-Silurian Pool, the West Sawyer-San Andres Pool, the North Vacuum-Abo Pool, and the Northwest Vacuum-Wolfcamp Pool, all in Lea County, 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 Aid-Morrow Gas Pool, consisting of the following described area:

## TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM SECTION 24: N/2

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

## TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM SECTION 30: SE/4

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

## TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM SECTION 20: NW/4

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

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM SECTION 5: NW/4 and SE/4 SECTION 10: N/2 NW/4

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

## TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM SECTION 10: S/2

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

## TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM SECTION 30: W/2 W/2

(g) 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 23: SE/4 SE/4

## TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM SECTION 12: NW/4 NE/4

(h) That the Lea-Bone Springs 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 25: SW/4

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

## TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM SECTION 22: NW/4

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

## TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM SECTION 32: SW/4 SW/4

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM SECTION 6: NW/4 NW/4

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(k) 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 21: SE/4

(1) 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: N/2 NW/4

SECTION 12: SE/4

SECTION 13: NE/4

SECTION 15: S/2 SW/4

SECTION 23: W/2

(m) That the Northwest 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 5: 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, 1971.

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DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

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

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