Entered March 11, 11, 1 CLP.

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. 4675 Order No. R-4279

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER CREATING, CONTRACTING, AND EXTEND-ING CERTAIN POOLS IN 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 March 15, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>17th</u> day of March, 1972, 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 Atoka formation, said pool to bear the designation of Eagle Creek-Atoka Gas Pool. Said Eagle Creek-Atoka Gas Pool was discovered by the Yates Petroleum Corporation Artesia Airport CF Well No. 1, located in Unit M of Section 11, Township 17 South, Range 25 East, NMPM. It was completed in the Atoka formation on December 27, 1971. The top of the perforations is at 7860 feet.

(3) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the -2-CASE No. 4675 Order No. R-4279

Morrow formation, said pool to bear the designation of Golden Lane-Morrow Gas Pool. Said Golden Lane-Morrow Gas Pool was discovered by the V. H. Westbrook Cowden Federal Well No. 1, located in Unit K of Section 4, Township 21 South, Range 29 East, NMPM. It was completed in the Morrow formation on November 2, 1971. The top of the perforations is at 12,614 feet.

(4) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Glorieta formation, said pool to bear the designation of Hare-Glorieta Pool. Said Hare-Glorieta Pool was discovered by the Shell Oil Company Chesher Well No. 1, located in Unit K of Section 12, Township 21 South, Range 37 East, NMPM. It was completed in the Glorieta formation on December 4, 1971. The top of the perforations is at 5320 feet.

(5) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Devonian formation, said pool to bear the designation of Osudo-Devonian Gas Pool. Said Osudo-Devonian Gas Pool was discovered by the Western Oil Producers, Inc. State "M" Well No. 1, located in Unit E of Section 32, Township 20 South, Range 36 East, NMPM. It was completed in the Devonian formation on December 22, 1971. The top of the perforations is at 12,528 feet.

(6) 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 Washington Ranch-Morrow Gas Pool. Said Washington Ranch-Morrow Gas Pool was discovered by the Black River Corporation Cities Federal Well No. 1, located in Unit F of Section 34, Township 25 South, Range 24 East, NMPM. It was completed in the Morrow formation on June 6, 1971. The top of the perforations is at 6795 feet.

(7) That there is need for the contraction of the Eumont Gas Pool in Lea County, New Mexico, by the deletion of certain acreage in order to correct an overlap of said pool boundary with the Langlie-Mattix Pool.

(8) That there is need for the contraction of the Langlie-Mattix Pool in Lea County, New Mexico, by the deletion of certain acreage in order to correct an overlap of said pool boundary with the Eumont Gas Pool.

(9) That there is need for certain extensions to the South Carlsbad-Morrow Gas Pool and the South Carlsbad-Strawn Gas Pool,

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both in Eddy County, New Mexico, the Langlie-Mattix Pool, the North Bagley-Pennsylvanian Pool, the South Corbin-Morrow Gas Pool, the Lea-Bone Springs Pool, the North Vacuum-Abo Pool, and the Vada-Pennsylvanian Pool, all in Lea County, New Mexico, and the South Prairie-San Andres Pool in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM Section 11: W/2

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

> TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM Section 4: Lots 9 through 16

(c) That a new pool in Lea County, New Mexico, classified as an oil pool for Glorieta production, is hereby created and designated as the Hare-Glorieta Pool, consisting of the followingdescribed area:

> TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM Section 12: SW/4

(d) That a new pool in Lea County, New Mexico, classified as a gas pool for Devonian production, is hereby created and designated as the Osudo-Devonian Gas Pool, consisting of the following-described area:

> TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM Section 32: W/2

(e) That a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production, is hereby created and -4-CASE No. 4675 Order No. R-4279

designated as the Washington Ranch-Morrow Gas Pool, consisting of the following-described area:

TOWNSHIP 25 SOUTH, RANGE 24 EAST, NMPM Section 33: E/2 Section 34: All

(f) That the Eumont Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following-described area:

> TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 17: SE/4 SW/4 Section 20: E/2 NW/4

(g) That the Langlie-Mattix Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following-described area:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 20: W/2 NW/4 and NW/4 SW/4

(h) That the Langlie-Mattix 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 17: SE/4 SW/4

(i) 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 10: SW/4 Section 15: NW/4

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

> TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM Section 2: N/2 TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM Section 6: W/2

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(k) That the South Carlsbad-Strawn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM Section 6: S/2

(1) 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 32 EAST, NMPM Section 25: E/2

(m) 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: SE/4

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM Section 30: SW/4

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

> TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM Section 21: NW/4

(o) 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 1:	SW/4				
Section 10:	W/2				
Section 21:	NE/4				
Section 22:	NW/4				
Section 27:	SW/4				
TOWNSHIP 17	SOUTH,	RANGE	35	EAST,	NMPM
Section 7:	W/2				
Section 18:	NE/4				
Section 19:	SE/4				

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

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM Section 7: 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, contractions, and extensions included herein shall be April 1, 1972.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION BRUCE KING, Chairman - · 10 91221 í ALEX J. ARMIJO, Member 1

SEAL

L. PORTER, Jr., Member & Secretary

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