

*Entered February 21, 1974*  
*R.L.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. 5172  
Order No. R-4734

THE APPLICATION OF THE OIL CONSERVATION  
COMMISSION UPON ITS OWN MOTION FOR AN  
ORDER CREATING, ABOLISHING, CONTRACTING,  
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 9:00 a.m. on February 13, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 21st day of February, 1974, 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 Upper Pennsylvanian formation, said pool to bear the designation of Avalon-Upper Pennsylvanian Gas Pool. Said Avalon-Upper Pennsylvanian Gas Pool was discovered by the Atlantic Richfield Company State B0 Com No. 1, located in Unit G of Section 15, Township 21 South, Range 27 East, NMPM. It was completed in the Upper Pennsylvanian formation on July 14, 1973. The top of the perforations is at 9280 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 Atoka formation, said pool to bear the designation of Rocky Arroyo-Atoka Gas Pool. Said Rocky Arroyo-Atoka Gas Pool was discovered by the El Paso Natural Gas Company Patterson No. 1, located in Unit H of Section 30, Township 22 South, Range 22 East, NMPM. It was completed in the Atoka formation on April 23, 1973. The top of the perforations is at 9030 feet.

(4) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Canyon formation, said pool to bear the designation of Rocky Arroyo-Canyon Gas Pool. Said Rocky Arroyo-Canyon Gas Pool was discovered by the El Paso Natural Gas Company Rocky Arroyo C No. 1, located in Unit F of Section 8, Township 22 South, Range 22 East, NMPM. It was completed in the Canyon formation on August 28, 1973. The top of the perforations is at 7292 feet.

(5) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of Winchester-Strawn Gas Pool. Said Winchester-Strawn Gas Pool was discovered by the Hillin Production Company JCW State Com No. 1, located in Unit C of Section 2, Township 20 South, Range 28 East, NMPM. It was completed in the Strawn formation on September 5, 1973. The top of the perforations is at 10,078 feet.

(6) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of Indian Draw-Delaware Pool. Further, that the discovery well for said pool, the Amoco Production Company Old Indian Draw Unit No. 1, located in Unit J of Section 18, Township 22 South, Range 28 East, NMPM, is entitled to and should receive a bonus allowable in the amount of 16,300 barrels to be assigned over a two-year period. Said discovery well was completed in the Delaware formation on December 3, 1973. The top of the perforations is at 3260 feet.

(7) That there is need for the abolishment of the East Weir-Tubb Pool in Lea County, New Mexico, because the boundaries of said pool are now contiguous with the boundaries of the Monument-Tubb Pool. The abolished acreage will be placed in the Monument-Tubb Pool.

(8) That there is need for the contraction of the Wantz-Abo Pool in Lea County, New Mexico, by the deletion of certain acreage which was dedicated to two wells which have since been reclassified as Drinkard wells. Deleted acreage is already in the Drinkard Pool limits.

(9) That there is need for the contraction of the Winchester-Wolfcamp Pool in Eddy County, New Mexico, by the deletion of non-productive acreage from the pool.

(10) That there is need for certain extensions to the West Atoka-Cisco Gas Pool, the West Atoka-Morrow Gas Pool, the Burton Flat-Morrow Gas Pool, the Burton Flat-Strawn Gas Pool, the Cabin Lake-Morrow Gas Pool, the Catclaw Draw-Morrow Gas Pool, the South Empire-Morrow Gas Pool, the Fren-Seven Rivers Pool, the Grayburg-Morrow Gas Pool, the Golden Lane-Strawn Gas Pool, the Logan Draw-Morrow Gas Pool, the Penasco Draw San Andres-Yeso Pool, the Red

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Lake-Pennsylvanian Gas Pool, the Rocky Arroyo-Morrow Gas Pool, the Square Lake Pool, the Washington Ranch-Morrow Gas Pool, the White City-Pennsylvanian Gas Pool, and the Winchester-Morrow Gas Pool, all in Eddy County, New Mexico, the Monument-Tubb Pool, the North Morton-Permo Pennsylvanian Pool, the South Salt Lake-Morrow Gas Pool, the West Sawyer-San Andres Pool, the Scharb-Bone Springs Pool, the North Shoe Bar-Strawn Pool, the North Vacuum-Abo Pool, and the Vada-Pennsylvanian Pool, all in Lea County, New Mexico.

(11) That only a portion of the proposed extension to the Cato-San Andres Pool in Chaves County, New Mexico, should be made, and the remainder of the proposed extension should be dismissed.

(12) That the proposed extension to the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, should be dismissed pending further study.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM  
Section 15: N/2

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

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM  
Section 30: E/2

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

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM  
Section 8: W/2

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

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 2: N/2

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

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM  
Section 18: SE/4

(f) That the East Weir-Tubb Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM  
Section 12: E/2 and S/2 SW/4  
Section 13: N/2

is hereby abolished.

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

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM  
Section 11: E/2 SE/4  
Section 12: E/2 and SW/4  
Section 13: N/2

(h) That the Wantz-Abo 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 1: SE/4 SW/4  
Section 12: NW/4 NE/4

(i) That the Winchester-Wolfcamp Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM  
Section 35: S/2 SE/4

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 2: W/2 NE/4

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

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM  
Section 11: S/2

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

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
Section 18: N/2

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

TOWNSHIP 21 SOUTH, RANGE 30 EAST, NMPM  
Section 35: W/2

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM  
Section 2: N/2

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

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM  
Section 20: All

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

TOWNSHIP 7 SOUTH, RANGE 30 EAST, NMPM  
Section 25: SW/4  
Section 26: SE/4

that the proposed extension of said pool to include therein:

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM  
Section 29: All

is hereby dismissed.

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

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 33: E/2  
Section 34: N/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM  
Section 4: Lots 1, 2, 7, 8, 9, 10, 15  
and 16

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

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 34: S/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM  
Section 3: Lots 1 through 16

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

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
Section 31: S/2

(r) That the Fren-Seven Rivers Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM  
Section 15: W/2 SW/4

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

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
Section 28: S/2

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

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM  
Section 5: Lots 3, 4, 5, 6, 11, 12,  
13 and 14

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

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM  
Section 27: All

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

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM  
Section 25: S/2  
Section 36: NE/4

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(w) That the Penasco Draw San Andres-Yeso Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
Section 30: N/2

(x) That the proposed extension to the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, is hereby dismissed.

(y) That the Red Lake-Pennsylvanian Gas 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 7: S/2  
Section 8: W/2

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

TOWNSHIP 21 SOUTH, RANGE 22 EAST, NMPM  
Section 33: S/2

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM  
Section 4: N/2  
Section 5: All  
Section 8: W/2

(aa) That the South Salt Lake-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM  
Section 32: S/2  
Section 33: W/2

(bb) 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: NE/4  
Section 23: NW/4

(cc) That the Scharb-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 2: S/2

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(dd) That the North Shoe Bar-Strawn 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 13: NE/4

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

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM  
Section 9: NE/4

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

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM  
Section 36: SW/4

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
Section 1: NW/4  
Section 15: N/2 SW/4

(gg) 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 33 EAST, NMPM  
Section 2: SW/4

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

TOWNSHIP 25 SOUTH, RANGE 24 EAST, NMPM  
Section 28: S/2

(ii) 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 30: All  
Section 33: All



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

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM  
Section 34: W/2

IT IS FURTHER ORDERED:

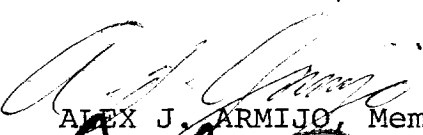
(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from 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, abolishments, contractions, and extensions included herein shall be March 1, 1974.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

  
ALEX J. ARMIJO, Member

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

S E A L

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