

Entered November 25, 1975



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. 5582
Order No. R-5124

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 9:00 a.m. on November 5, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 25th day of November, 1975, 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 Bass-Morrow Gas Pool. Said Bass-Morrow Gas Pool was discovered by the Perry R. Bass Big Eddy Unit Well No. 39, located in Unit G of Section 29, Township 21 South, Range 28 East, NMPM. It was completed in the Morrow formation on January 15, 1974. Top of the perforations is at 11,762 feet.

(3) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Cherry Canyon formation, said pool to bear the designation of South Carlsbad-Cherry Canyon Pool. Further, that the discovery well for said pool, the Belco Petroleum Corporation Martin Com Well No. 2, located in Unit F of Section 20, Township 22 South, Range 27 East, NMPM, is entitled to and should receive a bonus discovery allowable in the amount of 16,275 barrels to be assigned over a two-year period. Said discovery well was completed in the Cherry Canyon formation on September 12, 1975. The top of the perforations is at 3,255 feet.

(4) That there is need for the creation of a new gas pool

-2-

Case No. 5582

Order No. R-5124

in Eddy County, New Mexico, for the production of gas from the Wolfcamp formation, said pool to bear the designation of Corral Draw-Wolfcamp Gas Pool. Said Corral Draw-Wolfcamp Gas Pool was discovered by the Mobil Oil Corporation Corral Draw Unit Well No. 2, located in Unit K of Section 22, Township 25 South, Range 29 East, NMPM. It was completed in the Wolfcamp formation on August 15, 1975. The top of the perforations is at 11,560 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 Wolfcamp formation, said pool to bear the designation of Phantom Draw-Wolfcamp Gas Pool. Said Phantom Draw-Wolfcamp Gas Pool was discovered by the Texas Pacific Oil Company, Inc. Phantom Draw Unit Well No. 1, located in Unit M of Section 20, Township 26 South, Range 31 East, NMPM. It was completed in the Wolfcamp formation on July 14, 1975. The top of the perforations is at 12,670 feet.

(6) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Bone Springs formation, said pool to bear the designation of Sand Dunes-Bone Springs Pool. Said Sand Dunes-Bone Springs Pool was discovered by the Skelly Oil Company Federal Sand 18 Well No. 1, located in Unit H of Section 18, Township 23 South, Range 32 East, NMPM. It was completed in the Bone Springs formation on August 5, 1975. The top of the perforations is at 8,713 feet.

(7) That there is need for certain extensions to the Double L-Queen Associated Pool and the Tom Tom-San Andres Pool, both in Chaves County, New Mexico, the Atoka-Pennsylvanian Gas Pool, the East Carlsbad-Wolfcamp Gas Pool, the Cemetary-Morrow Gas Pool, the Indian Draw-Delaware Pool, the Penasco Draw-San Andres-Yeso Pool, the Sand Dunes-Morrow Gas Pool, and the Shugart Pool, all in Eddy County, New Mexico, the South Bell Lake-Morrow Gas Pool, the Blinebry Oil and Gas Pool, the Casey-Strawn Pool, the Drinkard Pool, the West Knowles-Drinkard Pool, the Langlie Mattix Pool, the Llano-Pennsylvanian Pool, the Red Tank-Morrow Gas Pool, the Tres Papalotes-Pennsylvanian Pool, the Tulk-Pennsylvanian Pool, the North Vacuum-Abo Pool, the Vada-Pennsylvanian Pool, and the Warren-Tubb Gas 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 Bass-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 29: E/2

-3-

Case No. 5582

Order No. R-5124

(b) That a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production, is hereby created and designated as the South Carlsbad-Cherry Canyon Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 20: NW/4

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

TOWNSHIP 25 SOUTH, RANGE 29 EAST, NMPM
Section 22: S/2

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

TOWNSHIP 26 SOUTH, RANGE 31 EAST, NMPM
Section 20: W/2

(e) That a new pool in Lea County, New Mexico, classified as an oil pool for Bone Springs production, is hereby created and designated as the Sand Dunes-Bone Springs Pool, consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 18: E/2

(f) That the Atoka-Pennsylvanian 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 1: W/2
Section 3: E/2

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

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 6: S/2
Section 7: N/2

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 27: NW/4

-5-

Case No. 5582

Order No. R-5124

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

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 3: NW/4

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

TOWNSHIP 11 SOUTH, RANGE 35 EAST, NMPM
Section 31: NE/4

(r) 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 19 SOUTH, RANGE 24 EAST, NMPM
Section 1: SE/4 SW/4

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

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 17: All

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

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 25: W/2

(u) 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 31 EAST, NMPM
Section 23: E/2 SW/4

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 27: SE/4

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 4: NW/4

-7-

Case No. 5582
Order No. R-5124


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, 1975.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

dr/

-4-

Case No. 5582
Order No. R-5124

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

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: NW/4

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

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 25: SW/4
Section 36: NW/4

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 1: NE/4

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

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 28: N/2

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

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM
Section 32: SE/4
Section 33: SW/4

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

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 18: NE/4

(n) That the Indian Draw-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 18: S/2 NE/4 & E/2 SW/4

(o) That the West Knowles-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 35: NW/4

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 3: NW/4

-6-

Case No. 5582
Order No. R-5124

(w) That the Tres Papalotes-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 28: SE/4

(x) 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 27: NW/4

(y) 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 35: SE/4

and that the proposed extension of said pool to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 2: E/2

is hereby dismissed.

(z) 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 3: SE/4
Section 10: SE/4

(aa) That the Wantz-Granite Wash 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 1: NE/4

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 19: SE/4

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 34: NW/4