Entered January 14, 1976

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. 5613 Order No. R-5143

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER CREATING AND EXTENDING VERTICAL AND HORIZONTAL LIMITS OF CERTAIN POOLS IN CHAVES, EDDY, AND LEA COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

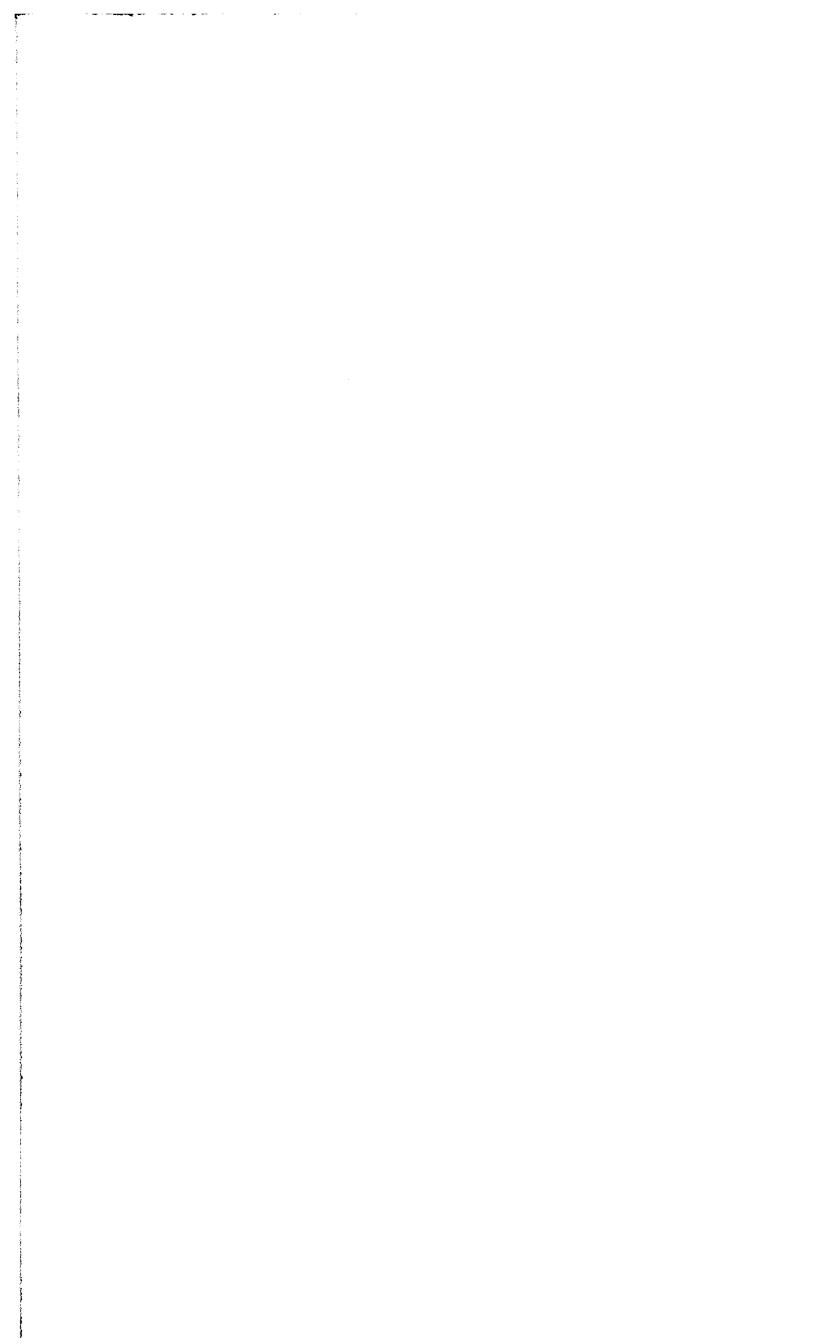
BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on January 7, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of January, 1976, 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 oil pool in Lea County, New Mexico, for the production of oil from the Bone Springs formation, said pool to bear the designation of West Grama Ridge-Bone Springs Pool. Said West Grama Ridge-Bone Springs Pool was discovered by the Southern Union Production Company Barbara Federal Well No. 1, located in Unit I of Section 6, Township 22 South, Range 34 East, NMPM. It was completed in the Bone Springs formation on August 15, 1974. Top of the perforations is at 10,362 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 Strawn formation, said pool to bear the designation of Hay Hollow-Strawn Gas Pool. Said Hay Hollow-Strawn Gas Pool was discovered by the Great Western Drilling Company Hay Hollow-Unit Well No. 1, located in Unit J of Section 11, Township 26 South, Range 27 East, NMPM. It was completed in the Strawn formation on April 1, 1975. Top of the perforations is at 11,611 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 Delaware formation, said pool to bear the designation of Ross-



-2-Case No. 5613 Order No. R-5143

Draw-Delaware Gas Pool. Said Ross-Draw-Delaware Gas Pool was discovered by the J. C. Williamson Ross Draw Unit Well No. 1, located in Unit N of Section 27, Township 26 South, Range 30 East, NMPM. It was completed in the Delaware formation on March 27, 1974. Top of the perforations is at 3,444 feet.

- (5) That there is need for the creation of a new oil pool in Chaves County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of Sulimar-San Andres Pool. Said Sulimar-San Andres Pool was discovered by the McClellan Oil Corporation Lisa A Federal Well No. 1Y, located in Unit K of Section 13, Township 15 South, Range 29 East, NMPM. It was completed in the San Andres formation on April 25, 1975. Top of the perforations is at 3,290 feet.
- (6) That there is need for the extension of the vertical limits of the Legg-Morrow Gas Pool in Lea County, New Mexico, to include the Atoka formation, and redesignate said Legg-Morrow Gas Pool as the Legg Atoka-Morrow Gas Pool.
- (7) That there is need for certain extensions to the Bar-U-Pennsylvanian Pool, the Chaveroo-San Andres Pool, the East Chisum-San Andres Pool, and the South Lucky Lake-Queen Pool, all in Chaves County, New Mexico; the North Burton Flat-Wolfcamp Pool, and the Pecos-Delaware Pool, both in Eddy County; New Mexico; the Antelope Ridge-Morrow Gas Pool, the High Plains-Pennsylvanian Pool, the Jalmat Gas Pool, the North Vacuum-Abo Pool, and the Vacuum-Queen Gas Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) 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 West Grama Ridge-Bone Springs Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM Section 6: SE/4

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

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM Section 11: E/2

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

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM

Section 27: W/2 Section 34: NW/4 -3-Case No. 5613 Order No. R-5143

(d) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production, is hereby created and designated as the Sulimar-San Andres Pool, consisting of the following described area:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM Section 13: SW/4

- (e) That the vertical limits of the Legg-Morrow Gas Pool in Lea County, New Mexico, are hereby extended to include the Atoka formation and said Legg-Morrow Gas Pool is hereby redesignated the Legg Atoka-Morrow Gas Pool.
- (f) That the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM Section 26: S/2 Section 35: N/2

(g) That the Bar-U-Pennsylvanian Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM Section 31: S/2

(h) That the North Burton Flat-Wolfcamp 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 19: S/2 Section 30: W/2

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

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM Section 17: NW/4 Section 18: N/2

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

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM Section 9: E/2 SE/4 and S/2 SW/4

(k) That the High Plains-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is

-4-

Case No. 5613 Order No. R-5143

hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM Section 26: SW/4

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

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM Section 2: NW/4

(m) That the South Lucky Lake-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 22: W/2 NW/4

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

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM Section 27: SW/4 NE/4 and W/2 SE/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 35 EAST, NMPM Section 6: SW/4

(p) That the Vacuum-Queen Gas 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: NW/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



-5-Case No. 5613 Order No. R-5143

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 February 1, 1976.

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 . ARNOLD, Member

JOE D. RAMEY, Member & Secretary

SEAL

